

1 UNITED STATES DISTRICT COURT
2 FOR THE NORTHERN DISTRICT OF OHIO
3 EASTERN DIVISION

4 *****

5 IN RE: NATIONAL MDL No. 2804
6 PRESCRIPTION OPIATE
LITIGATION Case No.
1:17-MD-2804

7 *****

8 APPLIES TO ALL CASES Hon. Dan A. Polster

9 *****

10
11 HIGHLY CONFIDENTIAL - SUBJECT TO FURTHER
12 CONFIDENTIALITY REVIEW
13 VIDEOTAPED DEPOSITION OF JOSEPH GANLEY

14
15 Friday, July 27th, 2018
16 9:04 a.m.

17
18 Held At:
19 Liberty Hotel
20 215 Charles Street
21 Boston, Massachusetts

22
23
24 REPORTED BY:
25 Maureen O'Connor Pollard, RMR, CLR, CSR

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25 VIDEOGRAPHER: Dan Lawlor

Category	Sub-category	Value	Unit
A	A1	100	%
	A2	50	%
	A3	150	%
	A4	120	%
	A5	80	%
B	B1	100	%
	B2	50	%
	B3	150	%
	B4	120	%
	B5	80	%
C	C1	100	%
	C2	50	%
	C3	150	%
	C4	120	%
	C5	80	%
D	D1	100	%
	D2	50	%
	D3	150	%
	D4	120	%
	D5	80	%
E	E1	100	%
	E2	50	%
	E3	150	%
	E4	120	%
	E5	80	%
F	F1	100	%
	F2	50	%
	F3	150	%
	F4	120	%
	F5	80	%
G	G1	100	%
	G2	50	%
	G3	150	%
	G4	120	%
	G5	80	%
H	H1	100	%
	H2	50	%
	H3	150	%
	H4	120	%
	H5	80	%
I	I1	100	%
	I2	50	%
	I3	150	%
	I4	120	%
	I5	80	%
J	J1	100	%
	J2	50	%
	J3	150	%
	J4	120	%
	J5	80	%

Country	Percentage of respondents who believe the U.S. should take more action to reduce global warming
United States	83%
France	78%
Germany	77%
Spain	76%
Italy	75%
China	74%
Japan	73%
South Korea	72%
India	69%
Mexico	56%

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1 P R O C E E D I N G S

2

3 THE VIDEOGRAPHER: We are now on the
4 record. My name is Dan Lawlor, I'm a
5 videographer with Golkow Litigation Services.

6 Today's date is July 27, 2018, and the
7 time is 9:04 a.m.

8 This video deposition is being held in
9 Boston, Massachusetts in the matter of National
10 Prescription Opiate Litigation, MDL No. 2804.

11 The deponent is Joseph Ganley,
12 McKesson.

13 Counsel, please identify yourselves,
14 starting with the plaintiff.

15 MR. GADDY: Jeff Gaddy on behalf of
16 the PEC.

17 MS. CHARLES: Amber Charles for the
18 McKesson Corporation and the witness, Joe
19 Ganley.

20 MR. STANNER: Andrew Stanner,
21 Covington & Burling, on behalf of McKesson.

22 MR. RUIZ: Anthony Ruiz of Zuckerman
23 Spaeder on behalf of CVS RX Services, Inc. and
24 CVS Indiana, LLC.

25 MR. WEINOGRAD: Charles Weinograd on

1 behalf of Endo Health Solutions, Endo
2 Pharmaceuticals, Par Pharmaceuticals.

3 MR. RICARD: Paul Ricard on behalf of
4 Prescription Supply, Inc.

5 MS. MCCLURE: Shannon McClure on
6 behalf of AmerisourceBergen Drug Corporation.

7 MR. LIVINGSTON: Scott Livingston,
8 Marcus & Shapira, on behalf of HBC.

9 MR. PETER MERRIGAN: Peter Merrigan on
10 behalf of the plaintiffs, PEC.

11 MR. TUCKER MERRIGAN: Tucker Merrigan
12 on behalf of the plaintiffs, PEC.

13 MR. MONAHAN: Matthew Monahan on
14 behalf of Cardinal Health.

15 MR. DAVISON: William Davison on
16 behalf of Mallinckrodt LLC and Specgx, LLC.

17 MS. CONWAY: Sarah Conway on behalf of
18 Walmart.

19 THE VIDEOGRAPHER: Counsel on the
20 phone, please identify yourselves.

21 MR. LAVELLE: John Lavelle from Morgan
22 Lewis on behalf of Rite Aid.

23 MS. HOLLY: Pam Holly from Morgan
24 Lewis on behalf of Teva Pharmaceuticals,
25 Cephalon, and certain of the Actavis-acquired

1 entities.

2 MS. COVERSTONE: This is Kaitlyn
3 Coverstone from Kirkland & Ellis on behalf of
4 Allergen.

5 MR. AUBEL: Bill Aubel from Jackson
6 Kelly on behalf of Miami-Luken, Inc.

7 THE VIDEOGRAPHER: The court reporter
8 today is Maureen Pollard, and will now swear in
9 the witness.

10

11 JOSEPH GANLEY,
12 having been first duly identified and sworn, was
13 examined and testified as follows:

14 EXAMINATION

15 BY MR. GADDY:

16 Q. State your name, please.

17 A. Joseph Ganley.

18 Q. And are you employed at McKesson
19 Corporation?

20 A. I am.

21 Q. What's your title?

22 A. Vice president of federal government
23 affairs.

24 Q. How long have you been in that
25 position?

1 A. Since July, 2014.

2 Q. Are you registered as a lobbyist?

3 A. I am.

4 Q. For how long have you been registered
5 as a lobbyist?

6 A. I'm not sure. I assume from July,
7 2014 when I took that role.

8 Q. Do you work in any particular division
9 or department?

10 A. I work in the corporate public affairs
11 department.

12 Q. How many other people work in that
13 department for McKesson?

14 A. I have to think about this now. 12, I
15 believe.

16 Q. Okay. Are all 12 of those individuals
17 registered as lobbyists?

18 A. No.

19 Q. About how many are?

20 A. Two are registered as federal
21 lobbyists. There are state lobbyists as well.

22 Q. One of those two being you?

23 A. Yes.

24 Q. Is there a registration required for
25 state lobbying?

1 MS. CHARLES: I'm going to object that
2 it's beyond the scope.

3 A. It varies by state. There's various
4 registration requirements, but it varies by
5 state. But yes, many states require
6 registration.

7 BY MR. GADDY:

8 Q. What are your duties in the position
9 that you currently have?

10 A. I represent the company before the
11 federal government, so the Congress and the
12 Administration. I advocate for the company's
13 public policy positions. I represent the
14 company on trade association boards and
15 committees and industry organizations. I'm
16 responsible for our public policy strategy at
17 the federal level.

18 Q. Okay. Is one of the goals in your
19 position to influence legislation that might
20 impact McKesson?

21 A. Yes.

22 Q. What did you do before that current
23 position?

24 A. I was a director of state government
25 affairs for the northeast region.

1 Q. Also with McKesson?

2 A. Yes.

3 Q. How long did you do that?

4 A. From June of 2011 to July of 2014.

5 Q. And what were the differences in that
6 position and the position you hold currently?

7 A. Just the venue. So I was doing the
8 same work advocating on public policy issues,
9 but at the state government level, in 14
10 northeast states.

11 Q. Was there any registration required
12 for you to hold that position?

13 A. There was not.

14 Q. What states did you cover?

15 A. I should say -- I should clarify that.
16 There wasn't a -- I was not a registered
17 lobbyist. We employed outside consultants who
18 were registered lobbyists. But I personally did
19 not have to register because of the way the
20 rules are written.

21 Q. Okay. How many lobbyists did you
22 employ?

23 MS. CHARLES: Objection. Beyond the
24 scope.

25 A. I don't remember exactly. We had two

1 or three.

2 BY MR. GADDY:

3 Q. Okay. What states did you cover?

4 A. I covered Virginia north to all of New
5 England.

6 Q. Okay. So you did or did not cover
7 Ohio?

8 A. I did not.

9 Q. Who did cover Ohio?

10 MS. CHARLES: Objection. Beyond the
11 scope.

12 A. It varied. There were different
13 people during that time period. So from 2011 to
14 2014, it would have been Angela Grover who was
15 the state government affairs person for.

16 BY MR. GADDY:

17 Q. Was that a particular region or
18 department?

19 A. Yes. We divide state government
20 affairs into four regions, the Northeast, the
21 Central region, the West region, and the South.

22 Q. Okay. So Ohio would be in the Central
23 region?

24 A. Ohio would be in the Central region,
25 yes.

1 Q. And Angela Grover was in charge of the
2 state lobbying for the Central region from 2011
3 to 2014?

4 A. Longer than that, but she, I think,
5 left the company 2015 maybe, 2016, something
6 like that.

7 Q. Do you know who preceded Ms. Grover?

8 MS. CHARLES: Objection. Beyond the
9 scope.

10 A. Nobody specifically, because we
11 restructured the department. So when we went to
12 four state government -- four regions we hired
13 Angie to cover the Central region. So prior to
14 that we had only two regions, one East and one
15 West.

16 BY MR. GADDY:

17 Q. Do you know who would have covered
18 Ohio before Ms. Grover?

19 MS. CHARLES: Objection. Beyond the
20 scope.

21 A. I don't.

22 BY MR. GADDY:

23 Q. What region is West Virginia in?

24 A. In the Northeast.

25 Q. Okay. So that would have been your

1 area?

2 A. Correct.

3 Q. So you've been at McKesson since 2011?

4 A. Yes.

5 Q. What field was your employment in
6 before that?

7 A. I worked at a public affairs firm,
8 Weber Shandwick.

9 Q. In any prior employment either with
10 that firm you just mentioned or any other, have
11 you ever done any work in the pharmaceutical
12 industry?

13 MS. CHARLES: Objection to form.

14 A. Yes. I mean, when I was at Weber we
15 represented pharmaceutical companies.

16 BY MR. GADDY:

17 Q. Okay. Did you ever represent
18 McKesson?

19 A. No.

20 Q. Did you ever represent Cardinal
21 Health?

22 A. No.

23 Q. AmerisourceBergen?

24 A. No.

25 Q. CVS?

1 A. Yes.

2 Q. Walgreens?

3 A. No.

4 Q. Prior to your work at McKesson, had
5 you ever had any experience in the drug supply
6 chain?

7 MS. CHARLES: Objection. Form.

8 A. I'm not sure I know what you mean by
9 "experience in the drug supply chain."

10 BY MR. GADDY:

11 Q. Let me ask it this way.

12 Prior to your employment at McKesson,
13 had you ever had any interaction with or
14 participation in HDA or HDMA?

15 A. No.

16 Q. You've been designated by McKesson on
17 two topics today.

18 I'm going to show you what's been
19 marked as -- we'll call it Ganley 1.

20 (Whereupon, McKesson-Ganley-001 was
21 marked for identification.)

22 BY MR. GADDY:

23 Q. If you don't mind, turn to Page 8,
24 looking at the numbers on the bottom of the
25 page. You've been designated on topics numbers

1 12 and 13. Is that your understanding?

2 A. Mm-hmm. Yes.

3 Q. And the first topic is your, meaning
4 McKesson's, participation, relationship or
5 association with any trade organization,
6 including, but not limited to, HDA, and its
7 predecessors, the NACDS and its predecessors,
8 and also PhRMA.

9 Do you see that?

10 A. Yes.

11 MS. CHARLES: I think you added a
12 predecessors in there.

13 MR. GADDY: I did, when talking NACDS.
14 Thank you.

15 BY MR. GADDY:

16 Q. Are you the person at McKesson who is
17 most knowledgeable to testify about that topic?

18 A. Yes.

19 Q. What did you do to prepare to testify
20 on that particular topic?

21 A. I reviewed information with counsel.

22 Q. Did you review any documents?

23 A. Yes.

24 Q. What did you review?

25 A. A number of documents. I don't know.

1 I mean, there was a whole binder full of
2 documents.

3 Q. Any in particular that you recall?

4 A. Yeah. I mean, there were e-mails,
5 agendas, there were -- I believe there were
6 documents you all indicated you were going to
7 ask about.

8 Q. So you had the opportunity to review
9 those?

10 A. Yes.

11 Q. Okay. So that would -- I assume what
12 you're referring to there are documents that
13 were produced by other defendants?

14 A. I believe they were produced by
15 McKesson and other defendants, yes.

16 Q. Okay. And you had the opportunity to
17 review the documents that were produced by other
18 defendants that we had to get permission to use
19 in this deposition?

20 A. Yes.

21 Q. Does McKesson belong to or participate
22 in any trade associations or organizations?

23 A. Yes.

24 Q. And would one of those be the HDA or
25 HDMA?

1 A. Yes.

2 Q. I've used those terms interchangeably.
3 Are those the same organization?

4 A. Yes.

5 Q. What's your understanding of when and
6 how the name changed?

7 MS. CHARLES: Objection to form.

8 A. They rebranded. They decided that
9 Health Distribution Management Association was
10 unclear, and so they decided to rename
11 themselves a year and a half ago or so, two
12 years ago.

13 Q. Was there any substantive change
14 within the organization as a result of that
15 rebranding?

16 MS. CHARLES: Objection. Beyond the
17 scope.

18 A. No.

19 BY MR. GADDY:

20 Q. Did the members that they represent
21 change in any form or fashion from your
22 participation within the organization?

23 MS. CHARLES: Objection. Beyond the
24 scope.

25 A. I don't believe so, but I don't -- you

1 know, presumably new members come in
2 occasionally. I don't know. So, I mean, the
3 scope of their membership didn't change, but
4 individual members may have come and gone, or
5 merged, or been acquired, or whatever.

6 BY MR. GADDY:

7 Q. What is that organization?

8 MS. CHARLES: Objection. Form, beyond
9 the scope.

10 A. HDA is a trade association that
11 represents pharmaceutical wholesale
12 distributors.

13 BY MR. GADDY:

14 Q. Do you know any wholesale distributors
15 that it represents in addition to McKesson?

16 A. Yes.

17 Q. Can you tell us?

18 A. AmerisourceBergen, Cardinal Health,
19 H.D. Smith, Burlington Drug. I don't -- there's
20 probably other regional distributors, but I
21 couldn't give you all the names. I don't know
22 all of them.

23 Q. And those are all companies that
24 perform the same job function, is that correct?

25 MS. CHARLES: Objection. Beyond the

1 scope.

2 A. Generally speaking, yes.

3 BY MR. GADDY:

4 Q. Those are all companies that have
5 common goals and common purposes?

6 MS. CHARLES: Objection. Beyond the
7 scope, form.

8 A. I couldn't speak to -- I couldn't
9 speak to the goals or purposes of our
10 competitors, but --

11 MS. MCCLURE: Jeff, just to clarify
12 the record, we have an understanding, correct,
13 that an objection for one serves as an objection
14 for all so we don't need to hear from over here?

15 MR. GADDY: Of course.

16 BY MR. GADDY:

17 Q. How long has McKesson been a member of
18 the HDA?

19 A. Many years. Many decades. I don't
20 know exactly when we first became a member. And
21 HDA was at some point kind of reconstituted, had
22 fallen into kind of -- it was going through some
23 difficult times and it was reconstituted, new
24 leadership was brought in. But more than
25 20 years certainly.

1 Q. From your understanding, or McKesson's
2 understanding of participation within HDA, is
3 the same true for the other drug wholesalers
4 that you mentioned, such at Cardinal Health and
5 AmerisourceBergen?

6 MS. CHARLES: Objection. Beyond the
7 scope.

8 A. I don't know the answer as to when
9 they joined.

10 BY MR. GADDY:

11 Q. Have each of those companies been
12 members as long as you've been with McKesson?

13 MS. CHARLES: Objection. Form, beyond
14 the scope.

15 A. Yes.

16 BY MR. GADDY:

17 Q. I'm going to show you what I'm going
18 to mark as Ganley 2.

19 (Whereupon, McKesson-Ganley-002 was
20 marked for identification.)

21 BY MR. GADDY:

22 Q. Have you seen this document before?

23 A. Yes.

24 Q. When did you have the opportunity to
25 see this?

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

13 Q. Is it safe to assume that, in fact,
14 these individuals who were receiving this
15 correspondence from HDMA, that all of these
16 companies were members of HDMA at the time that
17 this e-mail was sent?

18 MS. CHARLES: Objection. Form.

19 A. Yes.

20 BY MR. GADDY:

21 Q. You have no reason to dispute that all
22 these companies were members of HDMA going back
23 to 2006 at least?

24 A. I have no reason to dispute that.

25 MS. MCCLURE: Objection.

1 BY MR. GADDY:

2 Q. Is it your expectation they were
3 members going back farther than that?

4 MS. CHARLES: Objection. Form, beyond
5 the scope.

6 A. I don't know when the other companies
7 joined.

8 BY MR. GADDY:

9 Q. Are you familiar with the fact that
10 HDA has a website?

11 A. Yes.

12 Q. And have you been to that website
13 before and seen it?

14 A. Yes.

15 Q. I'm going to show you what we'll mark
16 as Ganley 3.

17 (Whereupon, McKesson-Ganley-003 was
18 marked for identification.)

19 A. Thank you.

20 BY MR. GADDY:

21 Q. Do you recognize this as being a
22 printout from the HDA's website?

23 A. It appears to be, yes.

24 Q. And if you look at the bottom of the
25 first page there, you see the web address down

1 at the bottom of the page?

2 A. Yes.

3 Q. And you recognize that as being the
4 web address for the HDA's website?

5 A. Yes.

6 Q. And if you look at the top left-hand
7 corner of the page, we see the logo of the HDA,
8 correct?

9 A. Yes.

10 Q. Okay. And the title of this page
11 looks to be "Distributor."

12 Do you see that?

13 A. Yes.

14 Q. Okay. And down towards the bottom of
15 the page it says that the "HDA has 36
16 distributor members."

17 Do you see that?

18 A. Yes.

19 Q. Does that number sound accurate to
20 you?

21 MS. CHARLES: Objection. Beyond the
22 scope.

23 A. Yes.

24 MS. MCCLURE: Objection. Form.

25 BY MR. GADDY:

1 Q. And you see the first member listed
2 there is AmerisourceBergen?

3 A. Yes.

4 Q. And the next one listed is Anda?

5 A. Yes.

6 Q. And if you turn the page, do you see
7 Cardinal Health is listed as a member of HDA?

8 A. Yes.

9 Q. If you go down a few lines, do you see
10 that Henry Schein is listed?

11 A. Yes.

12 Q. If you go down a few more, do you see
13 McKesson?

14 A. Yes.

15 Q. Below there is Miami-Luken?

16 A. Yes.

17 Q. And if you turn the page, four down
18 you'll see that Prescription Supply is also a
19 member of the HDA, correct?

20 A. Yes.

21 Q. And the fact that all of those
22 wholesalers are members of HDMA, is that
23 consistent with McKesson's understanding based
24 on its participation within the HDA?

25 MS. CHARLES: Objection. Form.

1 A. Yes.

2 BY MR. GADDY:

3 Q. Does -- would you qualify McKesson as
4 being active within the HDA?

5 MS. CHARLES: Objection. Form.

6 A. Yes.

7 BY MR. GADDY:

8 Q. Does McKesson have members on the
9 executive committee?

10 MS. CHARLES: Objection. Form.

11 A. We have a member on the executive
12 committee.

13 BY MR. GADDY:

14 Q. Does McKesson have any members on the
15 board of directors of HDA?

16 A. Yes.

17 Q. Does Cardinal Health have any members
18 on the executive committee?

19 MS. CHARLES: Objection. Beyond the
20 scope.

21 A. I don't know the answer to that.

22 BY MR. GADDY:

23 Q. I'm going to show you what I'll mark
24 as Ganley 4.

25

1 (Whereupon, McKesson-Ganley-004 was
2 marked for identification.)

3 A. Thank you.

4 BY MR. GADDY:

5 Q. Do you recognize this, again, as being
6 a printout from the HDA website?

7 A. Yes, I do.

8 Q. Again, you see the web address at the
9 bottom of the page?

10 A. Yes.

11 Q. And you see the brand of HDA up in the
12 top left corner?

13 A. Yes.

14 Q. Okay. And you see the title of this
15 page is "Board of Directors"?

16 A. Yes.

17 Q. And you see the first individual
18 listed is -- I'm going to mispronounce his last
19 name I'm sure, but Jon Giacomini?

20 A. Jon Giacomini.

21 Q. Jon Giacomini.

22 And who does he work for?

23 MS. CHARLES: Objection. Beyond the
24 scope.

25 A. I think Cardinal.

1 BY MR. GADDY:

2 Q. Okay. And if you actually turn the
3 page, you'll see it at the top of the very next
4 page.

5 A. Yes.

6 Q. He works for Cardinal Health?

7 A. Yep.

8 Q. And if you stay on -- I'm sorry, if
9 you turn to Page 3, at the top left do you see
10 the President/CEO of Miami-Luken?

11 MS. CHARLES: Objection. Form.

12 A. Yes.

13 BY MR. GADDY:

14 Q. Is he also a member of the board of
15 directors on HDA?

16 MS. CHARLES: Objection. Beyond the
17 scope.

18 A. Yes.

19 BY MR. GADDY:

20 Q. And next to him, do you see an
21 employee of Henry Schein?

22 A. Yes.

23 Q. And if you turn to Page 4, top middle,
24 do you see a McKesson employee who is a member
25 of the board of directors for HDA?

1 A. Yes.

2 Q. And if you look at the bottom left of
3 that page, do you see an employee of
4 AmerisourceBergen who was on the board of
5 directors for HDA?

6 A. Yes.

7 MS. CHARLES: Objection. Form.

8 BY MR. GADDY:

9 Q. Based on McKesson's participation
10 within the HDA, are these board of directors
11 consistent with McKesson's understanding of who
12 is a participant within the HDA?

13 MS. CHARLES: Objection. Form, beyond
14 the scope.

15 A. Yes.

16 BY MR. GADDY:

17 Q. Now, in addition to distributors,
18 there are also pharmaceutical manufactures who
19 are members of the HDA, correct?

20 MS. CHARLES: Objection. Beyond the
21 scope.

22 A. I believe that's right.

23 BY MR. GADDY:

24 Q. Do you know any manufacturers who are
25 members?

1 MS. CHARLES: Objection. Form, beyond
2 the scope.

3 A. I don't.

4 BY MR. GADDY:

5 Q. I'm going to show you what I'm going
6 to mark as Ganley 5.

7 (Whereupon, McKesson-Ganley-005 was
8 marked for identification.)

9 A. Thank you.

10 BY MR. GADDY:

11 Q. Once again, do you recognize this as
12 being a printout from the HDA's website?

13 A. Yes.

14 Q. And you recognize the web address at
15 the bottom of the first page?

16 A. Yes.

17 Q. And the branding of HDA in the top
18 left-hand corner?

19 A. Yes.

20 Q. And if you turn to Page 2, four
21 down -- or first, let me back up just a bit.

22 On the first page, do you see the
23 title of this page is "Manufacturer"?

24 A. Yes.

25 Q. And you see below that it says,

1 "Manufacturers considering an HDA membership are
2 primarily engaged in developing, manufacturing
3 or labeling healthcare products."

4 Do you see that?

5 A. Yes.

6 Q. And then down on the bottom it says,
7 "HDA has 128 manufacturer members."

8 Do you see that?

9 A. Yes.

10 Q. And if you turn the page, four down do
11 you see that Allergen is a member of the HDA?

12 MS. CHARLES: Objection. Beyond the
13 scope.

14 A. Yes.

15 BY MR. GADDY:

16 Q. And if you turn to Page 4, do you see
17 that Endo Pharmaceuticals is also a member of
18 the HDA?

19 MS. CHARLES: Objection. Beyond the
20 scope, form.

21 A. Yes.

22 BY MR. GADDY:

23 Q. If you go down to the bottom of the
24 page, do you see that Johnson & Johnson is a
25 member of the HDA?

1 MS. CHARLES: Same objections.

2 A. Yes.

3 BY MR. GADDY:

4 Q. If you go to Page 5, do you see in the
5 middle of the page that Mallinckrodt is a member
6 of the HDA?

7 MS. CHARLES: Same objections.

8 A. Yes.

9 BY MR. GADDY:

10 Q. If you go to Page 6, do you see that
11 Par Pharmaceutical is a member of HDA?

12 MS. CHARLES: Same objections.

13 A. Yes.

14 BY MR. GADDY:

15 Q. If you go down, do you see that
16 Patriot Pharmaceuticals, a subsidiary of
17 Janssen, is a member of the HDA?

18 MS. CHARLES: Same objections.

19 A. Yes.

20 BY MR. GADDY:

21 Q. If you go down four up from the
22 bottom, do you see Purdue Pharma is a member of
23 the HDA?

24 MS. CHARLES: Same objections.

25 A. Yes.

1 BY MR. GADDY:

2 Q. And if you go to the next page, do you
3 see towards the bottom that Teva Pharmaceuticals
4 is a member of the HDA?

5 MS. CHARLES: Same objections.

6 A. Yes.

7 BY MR. GADDY:

8 Q. Based on McKesson's participation
9 within the HDA, are these manufacturer members
10 consistent with your understanding of HDA
11 membership?

12 MS. CHARLES: Objection. Beyond the
13 form -- beyond the scope, form.

14 A. Yes.

15 BY MR. GADDY:

16 Q. So there's no doubt the membership of
17 HDA or HDMA includes both distributors and
18 manufacturers, correct?

19 MS. CHARLES: Objection. Form, beyond
20 the scope.

21 A. Correct.

22 BY MR. GADDY:

23 Q. Now, does HDA have different
24 conferences, committees, and working groups?

25 MS. CHARLES: Objection. Beyond the

1 scope.

2 A. Yes.

3 BY MR. GADDY:

Age Group	Percentage
18-24	10%
25-34	15%
35-44	25%
45-54	30%
55-64	15%
65-74	10%
75-84	5%
85+	5%

Age Group	Percentage
18-24	10%
25-34	15%
35-44	20%
45-54	25%
55-64	30%
65-74	35%
75-84	40%
85+	45%

[illegible]

24 BY MR. GADDY:

25 Q. About how many people actively

1	1	1
2	2	2
3	3	3
4	4	4
5	5	5
6	6	6
7	7	7
8	8	8
9	9	9
10	10	10
11	11	11
12	12	12
13	13	13
14	14	14
15	15	15
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92	92	92
93	93	93
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97	97	97
98	98	98
99	99	99
100	100	100

[REDACTED]

20 Q. I'm going to show you what I'm going
21 to mark as Ganley 6.

22 (Whereupon, McKesson-Ganley-006 was
23 marked for identification.)

24 A. Thank you.

25 BY MR. GADDY:

1 Q. Do you, again, recognize this as being
2 a printout from HDA's website?

3 A. Yes.

4 Q. Again, you see the web address at the
5 bottom of the page?

6 A. Yes.

7 Q. And the title of this page is
8 "Councils and Committees"?

9 A. Yes.

10 Q. And there on the very first page we
11 see the Public Policy Council that you were
12 speaking about earlier, correct?

13 A. Yes.

14 Q. If you turn the page, at the top of
15 Page 2 do you see the Industry Relations
16 Council?

17 A. Yes.

18 Q. And it says there that this counsel is
19 "composed of distributor and manufacturer
20 members," is that correct?

21 A. Yes.

22 Q. Is that consistent with McKesson's
23 understanding of who participates in the
24 Industry Relations Council?

25 A. Yes, it is.

1 Q. It says that this committee "provides
2 leadership on pharmaceutical distribution and
3 supply chain issues."

4 Do you see that?

5 A. Yes.

6 Q. And is that consistent with McKesson's
7 understanding about what those distributor and
8 manufacturer members do on that council?

9 MS. CHARLES: Objection. Beyond the
10 scope.

11 A. Yes.

12 BY MR. GADDY:

13 Q. If you turn to Page 9, you'll see it
14 lists there a Contracts and Chargebacks Working
15 Group.

16 Do you see that?

17 A. Yes.

18 Q. Does McKesson participate in that
19 working group?

20 A. I don't know the answer to that.

21 Q. Okay. You see there that it says,
22 "This working group explores how the contract
23 administration process can be streamlined
24 through process improvements or technical
25 efficiencies. It also creates and exchanges

1 industry knowledge of interest to contract and
2 chargeback professionals."

3 Do you see that?

4 A. Yes.

5 Q. And then below there it indicates that
6 both manufacturers and distributors participate
7 in that working group?

8 A. Yes.

9 Q. Is that consistent with McKesson's
10 understanding based on its participation within
11 the HDA?

12 A. You know, I have --

13 MS. MCCLURE: Objection.

14 A. I have to be honest with you. I've
15 never heard of this working group, never come
16 across it in my interactions with HDA.

17 BY MR. GADDY:

18 Q. From McKesson's perspective, is it
19 safe that say that manufacturers and
20 distributors work together under the umbrella of
21 the HDA?

22 MS. MCCLURE: Objection.

23 MS. CHARLES: Objection. Form, and
24 scope.

25 A. I think -- I did say it depends.

1 BY MR. GADDY:

2 Q. Well, from McKesson's perspective,
3 there certainly are issues or circumstances in
4 which manufacturers and distributors work
5 together under the umbrella of the HDA.

6 MS. CHARLES: Objection. Form.

7 BY MR. GADDY:

8 Q. Is that true?

9 MS. CHARLES: Beyond the scope.

10 A. Yes, it's true that there are examples
11 where that happens, yes.

12 BY MR. GADDY:

13 Q. And why would it be --

14 A. For example, the Public Policy Council
15 doesn't have any manufacturer members. Our
16 federal government affairs call, there's never a
17 manufacturer on that call. So in some cases
18 it's distributors and manufacturers, in other
19 cases it's just distributors.

20 Q. Why would it be beneficial for
21 McKesson to be a member of a trade association
22 where distributors and manufacturers can work
23 together under the same umbrella?

24 MS. CHARLES: Objection. Beyond the
25 scope, form.

1 A. I don't know. I'm not sure I know why
2 it would be beneficial.

3 BY MR. GADDY:

[illegible]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6 Q. Who would be the person for us to --
7 who would be the person within McKesson most
8 knowledgeable to talk about the Industry
9 Relations Council?

10 A. I mean, I could speak about it, but --

11 Q. Let me ask it this way.

12 A. I'm trying to think who --

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

23 Q. Let me go back to my last question and

24 ask you just as it relates to distributors.

25 From McKesson's perspective, based on

1 its participation within HDA, do the wholesale
2 distributor members have common goals when it
3 comes to rules and regulations?

4 MS. CHARLES: Objection. Form.

5 A. Yes.

6 BY MR. GADDY:

7 Q. From McKesson's perspective, based on
8 their participation within the HDA, do the
9 wholesale distributors have common goals when it
10 comes to DEA enforcement?

11 MS. CHARLES: Objection. Form.

12 A. Yes.

13 BY MR. GADDY:

14 Q. From the perspective of McKesson,
15 based on its participation within the HDA, do
16 the wholesale distributor members have common
17 goals when it comes to drug annual production
18 quotas?

19 MS. CHARLES: Objection. Form.

20 A. There may be some differing points of
21 view on that. But I don't know that I could
22 speak to the other companies' perspective on
23 that issue.

24 But I believe HDA has some vaguely
25 worded language that speaks to the need to think

[REDACTED]

24 Q. And consensus, when you use that term,
25 means that everybody agrees?

1 MS. CHARLES: Objection. Form.

2 A. Yeah, I'd say it a little differently
3 than how you just said it. It means nobody
4 objects. Right.

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

20 BY MR. GADDY:

21 Q. So some of the other things that HDA
22 will do on behalf of its members is take
23 position on legislation, correct?

24 MS. CHARLES: Objection. Beyond the
25 scope.

1 A. Yes.

2 BY MR. GADDY:

3 Q. And based on McKesson's participation
4 within the HDA, another thing that HDA will do
5 on behalf of its members is write letters to the
6 media representing the position of its members?

7 MS. CHARLES: Objection. Form.

8 A. Yeah, rarely. I mean, engage with the
9 media, certainly. Write letters to the media I
10 think is not what they would do. But yes, press
11 releases and, you know, op eds, things like
12 that, yes.

13 BY MR. GADDY:

14 Q. And specifically as it relates to this
15 case, one of the things that HDA did was publish
16 what they called Industry Compliance Guidelines?

17 MS. CHARLES: Objection. Form.

18 A. Yes.

19 BY MR. GADDY:

20 Q. And we talked a little bit just a
21 moment ago about the process that HDA goes
22 through when they want to -- the example we were
23 using there was draft a substantive letter to a
24 lawmaker. Would --

25 A. And I'm sorry to interrupt. The

1 distinction I'm making is HDA probably does send
2 what I would call non-substantive letters
3 without any real process. So if it's --

4 Q. Sure.

5 A. -- cover letter for annual report or
6 something, that wouldn't be edited and refined.
7 That's the distinction I'm making between
8 substantive and not substantive.

9 Q. Fair clarification.

10 A. You know, "congratulations on getting
11 elected" is not a letter that would go through
12 any significant process or something like that.

13 Q. Understood.

[REDACTED]

[REDACTED]

23 Q. What was -- and ultimately, did
24 McKesson approve the publication of the 2008
25 Industry Compliance Guidelines?

1 MS. CHARLES: Objection. Form.

2 A. No.

3 BY MR. GADDY:

4 Q. I'm going to show you -- I'm on Number
5 7? I'm going to show you what we're going to
6 mark as Ganley 7.

7 (Whereupon, McKesson-Ganley-007 was
8 marked for identification.)

9 A. Thank you.

10 MR. GADDY: Shannon, if you don't
11 mind, I was going to use the projector.

12 MS. MCCLURE: I'll move.

13 BY MR. GADDY:

14 Q. Do you recognize this document as
15 being the 2008 Industry Compliance Guidelines
16 that were published by the HDA?

17 A. Yes.

18 Q. Why were these guidelines published?

19 A. I don't know specifically why they
20 were published. But generally speaking, you
21 know, HDA would publish something like this,
22 HDMA at the time would publish something like
23 this to educate stakeholders about what the
24 industry does and what our procedures are, and
25 to share information among the companies, among

1 its membership.

2 Q. Was it McKesson's idea to draft and
3 publish these?

4 A. I don't know the answer to that.

5 Q. Do you know whether or not these
6 Industry Compliance Guidelines being published
7 by HDA had anything to do with the 2008 civil
8 penalty that McKesson paid?

9 MS. CHARLES: Objection. Form.

10 A. I don't know the answer to that.

11 BY MR. GADDY:

12 Q. Were you aware that McKesson paid a
13 civil penalty in 2008?

14 MS. CHARLES: Objection. Beyond the
15 scope.

16 A. I am aware, yes.

17 BY MR. GADDY:

18 Q. And are you aware that it related to
19 allegations that McKesson had failed to report
20 suspicious orders of opioids?

21 MS. CHARLES: Objection. Beyond the
22 scope.

23 A. Yes.

24 BY MR. GADDY:

25 Q. And these Industry Compliance

1 Guidelines speak exactly to that topic, is that
2 correct?

3 MS. CHARLES: Objection. Form, beyond
4 the scope.

5 A. And more. Yes, they speak to
6 compliance generally, among other things.

7 BY MR. GADDY:

8 Q. If you look in the top of the page, it
9 says, the "Healthcare Distribution Management
10 Association Industry Compliance Guidelines."

11 Do you see that?

12 A. Yes.

13 Q. Goes on to say, "Reporting Suspicious
14 Orders and Preventing Diversion of Controlled
15 Substances."

16 A. Yes.

17 Q. Do you see that?

18 And you understand that's the contents
19 of this document?

20 A. Yes.

21 Q. In the first paragraph there, second
22 sentence, it says that "Manufacturers,
23 distributors, pharmacies and healthcare
24 practitioners share a mission and responsibility
25 to continuously monitor, protect and enhance the

1 safety and security of this system to combat
2 increasingly sophisticated criminals who attempt
3 to breach the security of the legitimate supply
4 chain."

5 Do you see that?

6 A. Yes.

7 Q. And it was McKesson's position that
8 that was their role within the supply chain,
9 correct?

10 MS. CHARLES: Objection. Form.

11 A. I'm not sure what you mean by "their."
12 I mean, yes, we would agree with the statement
13 that "Manufacturers, distributors, pharmacies
14 and healthcare practitioners share a mission and
15 responsibility to continuously monitor, protect
16 and enhance the safety and security of this
17 system." We would agree with that statement.

18 BY MR. GADDY:

19 Q. Okay. And if you go down to the
20 second paragraph, starting in the middle of the
21 paragraph it says, "These Industry Compliance
22 Guidelines are consistent with, and further
23 extend, the distributors' track record of
24 supporting and implementing initiatives designed
25 to improve the safety, security and integrity of

1 the medicine supply"?

2 A. Yes.

3 Q. It says, "They have been prepared in
4 recognition of a growing problem of misuse and
5 diversion of Controlled Substances."

6 Do you see that?

7 A. Yes.

8 Q. And back in 2008, McKesson agreed with
9 this statement, correct?

10 MS. CHARLES: Objection. Form.

11 A. Yes.

12 BY MR. GADDY:

13 Q. If you go down to the next paragraph,
14 it says that "distributors are uniquely situated
15 to perform due diligence in order to help
16 support the security of the controlled
17 substances they deliver to their customers."

18 Do you see that?

19 A. Yes.

20 Q. And this was a statement that McKesson
21 agreed with back in 2008 when these were
22 published?

23 MS. CHARLES: Objection. Form.

24 A. Yeah, we agreed to the whole document.

25 BY MR. GADDY:

[REDACTED]

11 BY MR. GADDY:

12 Q. If you turn to Page 2, you'll see
13 there's numbering up in the top right-hand
14 corner.

15 A. Yes. Thank you.

16 Q. Down towards the bottom third of the
17 page, the guidelines cite some of the federal
18 regulations that apply to distributors, correct?

19 A. Yes.

20 Q. And in the first sentence of that
21 regulation it says, "The registrant shall design
22 and operate a system to disclose to the
23 registrant suspicious orders of controlled
24 substances."

25 Do you see that?

1 MS. CHARLES: Objection. Form.

2 A. I do.

3 BY MR. GADDY:

4 Q. And the word "suspicious orders" is
5 underlined, correct?

6 A. It is, yes.

7 Q. Okay. And if you look at the bottom
8 of the paragraph, it says that emphasis was
9 added by the HDA when they published this,
10 correct?

11 A. Presumably, yes. It says "Emphasis
12 added."

13 Q. Okay. It says "suspicious orders,"
14 correct?

15 A. That's what it says.

16 Q. Not suspicious customers?

17 A. Right.

Age Group	Percentage
18-24	10%
25-34	20%
35-44	25%
45-54	20%
55-64	15%
65-74	10%
75-84	5%
85+	5%

24 BY MR. GADDY:

25 Q. If you go down to the next paragraph

1 it says, "Although distributors have been
2 required to identify and report 'suspicious
3 orders' of controlled substances and listed
4 chemicals, increasing concerns about the
5 potential misuse of prescription controlled
6 substances have elevated awareness within the
7 supply chain and have led to increased
8 expectations by DEA."

9 Do you see that?

10 A. I do.

11 Q. And based on McKesson's participation
12 within HDA, this was McKesson's understanding at
13 the time these were published?

14 MS. CHARLES: Objection. Form.

15 A. Sorry, can you ask that again?

16 BY MR. GADDY:

17 Q. Sure.

18 Based on McKesson's participation
19 within HDA, this sentence right here represents
20 McKesson's understanding at the time these
21 guidelines were published?

22 MS. CHARLES: Same objection.

23 A. I'm struggling with McKesson's
24 understanding of what?

25 BY MR. GADDY:

[REDACTED]

16 BY MR. GADDY:

17 Q. If you go to Page 3, do you see the
18 first full paragraph, it says, "With the strong
19 endorsement and expertise of our members, the
20 HDMA has developed the following Industry
21 Compliance Guidelines for preventing diversion
22 and reporting suspicious orders."

23 Do you see that?

24 A. Yes.

25 Q. Is it your understanding that McKesson

1 strongly endorsed these Industry Compliance
2 Guidelines as the HDMA represents right there?

3 MS. CHARLES: Objection. Form.

4 A. I can't speak to the level of our
5 endorsement. We would have approved the
6 document being published.

7 BY MR. GADDY:

8 Q. And you would have approved the
9 document with that language in there
10 representing that the members, which includes
11 McKesson, strongly endorse the document?

12 MS. CHARLES: Objection. Form.

13 A. Yes.

14 BY MR. GADDY:

15 Q. Same, at this time we know that
16 Cardinal Health was also a member, correct?

17 MS. CHARLES: Objection. Form, beyond
18 the scope.

19 A. Yes.

20 BY MR. GADDY:

21 Q. And AmerisourceBergen was also a
22 member, correct?

23 MS. CHARLES: Same objections.

24 A. Yes.

25 BY MR. GADDY:

1 Q. If you turn to Page 7, do you see in
2 Section II(a), you see that the guidelines speak
3 to "Monitoring for Suspicious Orders"? Just the
4 title there, II(a).

5 A. Yes. Sorry. "II. Monitoring for
6 Suspicious Orders," yeah.

7 Q. And if you go about halfway down the
8 paragraph, you see that it says that a
9 distributor must be design and operate a system
10 to disclose to the registrant suspicious orders
11 of controlled substances?

12 Do you see that?

13 A. Yes. It's a citation of the CFR.

14 Q. And again, do you see that HDA added
15 emphasis to several phrases within that
16 sentence?

17 A. Yes.

18 Q. And one of those phrases that they
19 added emphasis to was "suspicious orders,"
20 correct?

21 A. Yes.

22 Q. Not suspicious customers, correct?

23 MS. CHARLES: Objection. Form.

24 A. It says "suspicious orders."

25 BY MR. GADDY:

1 Q. If we turn to Page 9, do you see
2 there's a section Roman Numeral III in the
3 middle of the page about suspend or stop an
4 order of interest?

5 A. Yes.

6 Q. It says there, "If an order meets or
7 exceeds a distributor's threshold, as defined in
8 the distributor's monitoring system, or is
9 otherwise characterized by the distributor as an
10 order of interest, the distributor should not
11 ship the order to the customer, in fulfillment
12 of that order, any units of the specific drug
13 code product as to which the order met or
14 exceeded a threshold or as to which the order
15 was otherwise characterized as an order of
16 interest."

17 Do you see that?

18 A. Yes, I do.

19 Q. And specifically as to the second half
20 of that paragraph that starts "should not ship
21 to the customer," HDA chose to underline that
22 section, correct?

23 A. Yes, it appears so.

24 Q. And again, this is language that
25 McKesson had the opportunity to review, comment

1 on, and object to beforehand if they wanted,
2 correct?

3 MS. CHARLES: Objection to form.

4 A. Yeah, we had an opportunity to review
5 and comment on the entire document.

6 BY MR. GADDY:

7 Q. And this is the -- this would be
8 another section that, according to the HDA, its
9 members strongly endorsed?

10 MS. CHARLES: Objection. Form.

11 A. Yeah, I guess so.

12 BY MR. GADDY:

13 Q. The last section we're going to look
14 at is on Page 12. Do you see Section V towards
15 the bottom of the page?

16 A. Yes.

17 Q. It says, "Immediate DEA Notification."
18 Do you see that?

19 A. Yes.

20 Q. It says, "Under 21 CFR 1301.74(b)" --
21 you understand that to be the regulation that
22 requires distributors to report suspicious
23 orders?

24 MS. CHARLES: Objection. Form.

25 A. I do.

1 BY MR. GADDY:

2 Q. It says under that section, "orders
3 designated as 'suspicious' must be reported to
4 the DEA 'when discovered.'"

5 Do you see that?

6 A. Yes.

7 Q. And do you see that that language is
8 in quotations?

9 A. Yes.

10 Q. And is it your understanding that that
11 language comes verbatim from the regulation?

12 MS. CHARLES: Objection. Form, beyond
13 the scope.

14 A. I don't know the answer to that. I
15 would assume so from the plain reading of it,
16 yes.

17 BY MR. GADDY:

18 Q. And again, this is language that,
19 according to the HDA, McKesson strongly
20 endorsed?

21 MS. CHARLES: Objection. Form, beyond
22 the scope.

23 A. I think HDA said its membership
24 generally endorses it. I don't think they
25 attributed the endorsement to any individual

[illegible]

13 MS. CHARLES: Jeff, we've been going
14 about an hour. Is this a good time?

15 MR. GADDY: Sure.

16 THE VIDEOGRAPHER: We're going off
17 record. The time is 10:01.

18 (Whereupon, a recess was taken.)

19 THE VIDEOGRAPHER: Going back on the
20 record beginning at Media File Number 2. Time
21 is 10:14.

22 BY MR. GADDY:

23 Q. Mr. Ganley, I'm going to show you
24 what's been marked as Number 9. Do you
25 recognize this document?

[illegible]

18 BY MR. GADDY:

19 Q. In 2013, HDMA made a -- added a
20 supplement to those guidelines, is that correct?

21 A. I don't know that I'd characterize it
22 as supplement.

23 Q. How would you characterize it?

24 A. A new header. I don't know. I'm not
25 sure what word I would use to describe. They

1 had a statement that accompanied the guidelines.

2 Q. They added a statement to the
3 guidelines?

4 A. Yes.

5 Q. Okay. Other than the addition of a
6 statement, did anything else about the
7 guidelines change?

8 MS. CHARLES: Objection. Beyond the
9 scope.

10 A. I don't believe so.

11 BY MR. GADDY:

12 Q. I'm going to show you what's been
13 marked as Ganley 10.

14 (Whereupon, McKesson-Ganley-010 was
15 marked for identification.)

16 A. Thank you.

17 BY MR. GADDY:

18 Q. Do you recognize this as being the
19 2013 Industry Compliance Guidelines that HDMA
20 published?

21 A. Yes.

22 Q. And would it be fair to say the top
23 three paragraphs are the preamble that was added
24 in 2013 by HDMA?

25 A. Yes, it says -- yes.

1 Q. As far as adding this preamble to the
2 guidelines, is this the type of substantive
3 document that would have been circulated by HDMA
4 to its members to give them an opportunity to
5 review, comment, and object?

6 A. Yes.

7 Q. Do you know specifically if this was
8 circulated to McKesson to review, comment and
9 object upon?

10 A. I don't know specifically, but I'm
11 sure it was.

[REDACTED]

16 BY MR. GADDY:

17 Q. Based on McKesson's participation
18 within the HDMA, what is your understanding of
19 why this preamble was added to the Industry
20 Compliance Guidelines?

21 A. My understanding is based on the
22 language of the preamble, and --

23 Q. Let me ask it differently, then.

24 Do you have any understanding, or does
25 McKesson have any understanding as to why this

1 preamble was added, other than what we see
2 printed in front of us?

3 A. Well, I think -- I'm not sure I
4 understand the question. An understanding other
5 than what we see printed in front of us? I
6 think they're one in the same.

7 Q. Okay. Well, so I'll just ask my
8 question again, then.

9 What is McKesson's understanding for
10 why this preamble was added?

11 A. It was -- my understanding is that it
12 was added to clarify the purpose of the Industry
13 Compliance Guidelines.

14 Q. Why did HDMA and its members in 2013,
15 five years after they were originally published,
16 feel the need to clarify?

17 MS. CHARLES: Objection. Scope.

18 MS. MCCLURE: Objection. Form.

19 A. Again, based on the reading of what's
20 here, they were clarifying that the Industry
21 Compliance Guidelines are not meant to
22 constitute an industry standard.

23 BY MR. GADDY:

24 Q. That's not my question.

25 My question is, why did they feel the

1 need to clarify?

2 MS. CHARLES: Objection. Beyond the
3 scope, form.

4 MS. MCCLURE: Objection. Form.

5 A. I don't know.

6 BY MR. GADDY:

7 Q. Did it have anything to do with the
8 fact that McKesson was being investigated in
9 2013 by the DEA?

10 MS. CHARLES: Objection. Beyond the
11 scope.

12 A. I don't know.

13 BY MR. GADDY:

14 Q. In the last sentence of the first
15 paragraph it says that these guidelines -- it
16 says, "It was not intended to be, and should not
17 be understood to constitute, an 'industry
18 standard' or statement of the state-of-the-art
19 with regard to individual companies' practices."

20 Do you see that?

21 A. I see it.

22 Q. We already know that -- we've already
23 looked at documents where HDMA has indicated
24 that they expended significant resources to
25 compile these guidelines, correct?

1 A. That's what they said.

Response	Percentage
Yes, the U.S. should take action to reduce global warming	90%
No, the U.S. should not take action to reduce global warming	10%

Age Group	Percentage
18-24	10%
25-34	20%
35-44	25%
45-54	20%
55-64	15%
65-74	10%
75-84	5%
85+	5%

Response	Percentage
Yes	~5%
No	~25%
Don't know	~70%

Age Group	Percentage
18-24	10%
25-34	20%
35-44	25%
45-54	20%
55-64	15%
65-74	10%
75-84	5%
85+	5%

14 BY MR. GADDY:

15 Q. So McKesson has no understanding
16 whatsoever for why HDMA and its members felt the
17 need to clarify the purpose of these guidelines
18 in 2013?

19 MS. CHARLES: Objection. Form.

20 A. I think the decision to include this
21 statement was to be clear that it's not meant --
22 that they were not meant to be an industry
23 standard.

24 BY MR. GADDY:

25 Q. I understand that that's what they

1 were trying to make clear with this preamble.

2 Why did they feel the need to make that clear?

3 That's my question.

4 MS. CHARLES: Objection. Form.

5 BY MR. GADDY:

6 Q. And if you don't know, you can tell me
7 you don't know. But do you know, does McKesson
8 know, you as the person who has testified that
9 you're most knowledgeable about this topic, do
10 you know why the HDMA and its members felt the
11 need in 2013 to clarify what these guidelines
12 were and were not supposed to do?

13 MS. CHARLES: Objection. Form, beyond
14 the scope.

15 A. I don't.

16 BY MR. GADDY:

17 Q. Were you aware that in 2013 McKesson
18 was being investigated by the DEA for failing to
19 report suspicious orders?

20 MS. CHARLES: Objection. Beyond the
21 scope.

22 A. I am aware, yes.

23 BY MR. GADDY:

24 Q. Are you aware that as a result of
25 that, McKesson paid a significant -- a

1 substantial civil penalty?

2 MS. CHARLES: Same objection, and
3 objection to form.

4 A. I am.

5 BY MR. GADDY:

6 Q. In the last paragraph, the
7 second-to-last sentence says, "In light of
8 passage of time and revised industry practices,
9 HDMA is considering revision of the ICGs."

10 Do you see that?

11 A. Yes.

12 Q. That has not happened, has it?

13 A. I don't believe so, no.

14 Q. These have not been -- these Industry
15 Compliance Guidelines have not been revoked,
16 repealed, or replaced by HDMA, correct?

17 MS. CHARLES: Objection. Beyond the
18 scope.

19 A. I wouldn't agree --

20 MS. MCCLURE: Objection. Form.

21 A. I wouldn't agree with the
22 characterization of revoked or repealed. That's
23 not something HDA would ever do. Things aren't
24 revoked or repealed. There's no -- this wasn't
25 enacted.

1 BY MR. GADDY:

2 Q. Okay. To McKesson's understanding,
3 has HDMA ever disavowed these guidelines?

4 MS. MCCLURE: Objection. Form.

5 A. I'm not sure I know what you mean by
6 "disavowed." But, again, disavowing is not
7 something HDA does.

8 BY MR. GADDY:

9 Q. As far as McKesson's understanding,
10 these Industry Compliance Guidelines still
11 represent HDMA's position on this issue?

12 MS. CHARLES: Objection. Form.

13 A. I wouldn't say position on the issue,
14 no. They're guidelines.

15 BY MR. GADDY:

16 Q. And McKesson's understanding is these
17 remain the guidelines of HDMA?

18 A. Yes. These are the HDMA guidelines,
19 yes.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

18 Q. Now, HDMA also conducts lobbying
19 activity on behalf of its members, correct?

20 A. Yes.

21 Q. And we've already covered that its
22 members -- HDA's membership includes
23 manufacturers and distributors, correct?

24 MS. CHARLES: Objection. Form.

25 A. The membership includes manufacturers

1 and distributors, yes.

2 BY MR. GADDY:

3 Q. I'm going to show you what we've
4 marked as Ganley 11.

5 (Whereupon, McKesson-Ganley-011 was
6 marked for identification.)

7 BY MR. GADDY:

8 Q. Do you recognize this document?

9 A. Yes, I do.

10 Q. Okay. Did you have the opportunity to
11 review this in preparation for this deposition
12 today?

13 A. Yes, I believe so.

14 Q. And do you see that this is a

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

6 Do you see that?

7 MS. CHARLES: Objection. Form.

8 A. I do see it.

9 BY MR. GADDY:

10 Q. And is that consistent with McKesson's
11 understanding that one of the things that HDMA
12 did was advocate for its member company
13 interests?

14 A. Yes, that's what it says here.

15 Q. Well, I'm asking, is that consistent
16 with McKesson's understanding of one of the
17 things that HDMA does for its members?

18 A. Yes.

19 Q. If you turn to Page 3 of the document,
20 and again the page number is up at the top
21 right, do you see this Summary of the 2014 --
22 tell us what that acronym stands for.

23 A. The SGAC acronym?

24 Q. Yes.

25 A. State Government Affairs Committee.

1 Q. Were you -- did you participate on
2 that committee in 2014?

3 A. For part of 2014 I did, yes.

4 Q. Do you know if you attended that
5 summer retreat?

6 A. I don't know when the retreat was. I
7 would have stopped participating in the State
8 Government Affairs Committee in July. I don't
9 know when this meeting was.

10 Q. Okay. And one of the things, or one
11 of the primary things that the State Government
12 Affairs Committee does is direct state lobbying
13 efforts, correct?

14 MS. CHARLES: Objection. Form.

15 A. Yes.

16 BY MR. GADDY:

■ ■ [REDACTED]
■ [REDACTED]
■ [REDACTED]
■ [REDACTED] [REDACTED]
■ [REDACTED]
■ [REDACTED]

23 Do you see that?

24 A. Yes.

■ ■ [REDACTED]

Age Group	Percentage of Respondents
18-29	85%
30-49	75%
50-69	65%
70+	55%

16 Do you see that?

17 MS. CHARLES: Objection. Form.

18 A. I do see it.

19 BY MR. GADDY:

Group	Percentage
Group 1	~10%
Group 2	~80%
Group 3	~100%
Group 4	~90%
Group 5	~85%
Group 6	~10%

[REDACTED]

17 BY MR. GADDY:

18 Q. And that's McKesson's understanding
19 from their participation within the HDMA, and
20 specifically your participation in the State
21 Government Affairs Committee, true?

22 MS. CHARLES: Objection. Form.

23 A. When you say that's my understanding,
24 what's "that"? I don't --

25 BY MR. GADDY:

1 Q. McKesson's understanding from your
2 participation within HDMA, and specifically on
3 the State Government Affairs Committee, is that
4 one of McKesson's goals would have been to
5 prevent onerous legislation from being enacted?

6 MS. CHARLES: Objection. Form.

7 A. The goal of the State Government
8 Affairs Committee -- one of the goals of the
9 State Government Affairs Committee is to prevent
10 onerous legislation from being enacted.

11 BY MR. GADDY:

12 Q. I'm going to show you what I'm going
13 to mark as Ganley 12.

14 (Whereupon, McKesson-Ganley-012 was
15 marked for identification.)

16 A. Thank you.

17 BY MR. GADDY:

18 Q. Do you recognize this document?

19 A. Yes.

20 Q. And is this a document that you
21 specifically reviewed in preparation for this
22 deposition today?

23 A. I'm not sure.

24 Q. But it's an e-mail you've seen?

25 A. Yes.

1 Q. If you look at the top of the page, do
2 you see this is an e-mail from an employee of
3 HDMA?

4 A. Yes.

5 Q. And he's writing to the State
6 Government Affairs Committee?

7 A. It says to SGAC, yes. I can't say who
8 is actually in the "To" field.

9 Q. Is that -- I'm glad you mentioned
10 that. Is that something that's common now; when
11 you receive e-mails from HDMA, do you generally
12 see who all is receiving the e-mail, or is it a
13 blind copy format, or is it a Listserv, or do
14 you know?

15 A. It all depends. And I don't know that
16 there's any particular logic to it, to be honest
17 with you. I think, as I said to you, sometimes
18 these task forces have lots of members, and so I
19 think for ease or convenience when sending to a
20 large group like that, they use the BCC field.

21 Q. And it looks like that's what was done
22 in this case, because he sent it to himself?

23 A. I would assume, yes.

24 Q. And ended up in McKesson's file?

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9 Q. What are State Drug Abuse Task Forces?

10 MS. CHARLES: Objection. Beyond the
11 scope.

12 A. So I believe that the states had set
13 up various task forces to look at the drug abuse
14 issue, or to tackle the drug abuse issue, many,
15 many states did that. And what I believe this
16 to be is sort of a document that captures the
17 activity within those task forces.

18 BY MR. GADDY:

19 Q. Okay. Would it be fair to say that
20 McKesson's understanding, based on participation
21 within HDA, of the State Drug Abuse Task Forces
22 is that the general goals of these task forces
23 were to prevent or reduce prescription drug
24 abuse?

25 MS. MCCLURE: Objection.

1 MS. CHARLES: Objection. Form.

2 A. Probably all drug abuse, but yes.

3 And, you know, I can't speak to the
4 mission statement of each one of the different
5 states' Drug Abuse Task Force, but probably
6 prescription drug abuse, and illicit drug abuse,
7 and drug abuse generally.

8 BY MR. GADDY:

9 Q. That's fair.

10 And McKesson and all other HDMA
11 members via HDA were keeping track of what was
12 going on in those different task forces,
13 correct?

14 MS. CHARLES: Objection. Form, beyond
15 the scope.

16 A. Yes. Well, let me rephrase.

17 HDA was on behalf of the industry.

18 BY MR. GADDY:

19 Q. Correct, on behalf of its members?

20 A. Right.

21 Q. Which includes McKesson?

22 A. Right.

23 Q. Which includes Cardinal Health?

24 A. Yes.

25 Q. Which includes AmerisourceBergen?

1 MS. CHARLES: Objection to form.

2 BY MR. GADDY:

3 Q. Correct?

4 A. Yes.

5 Q. Which includes Purdue Pharma, correct?

6 MS. CHARLES: Objection. Form.

7 A. Yes.

8 BY MR. GADDY:

9 Q. Which includes Endo, Teva, Johnson &
10 Johnson, Janssen, correct?

11 MS. CHARLES: Objection to form.

12 A. The membership includes those people?

13 BY MR. GADDY:

14 Q. Yes.

15 A. Yes, the membership includes those
16 people.

17 Q. And if you look just here --

18 A. Those manufacturers, though, would not
19 have been on this e-mail, so that's the
20 distinction I'm trying to draw. They don't
21 participate in the SGAC or the FGAC.

22 Q. But they're all members of HDA?

23 A. They're members of HDA.

24 Q. If you just look at the first page
25 here, you see there are several states where

[REDACTED]

20 Q. And they could come up with
21 legislation that could impact your industry as
22 well?

23 MS. CHARLES: Objection. Form.

24 A. Yeah.

25 BY MR. GADDY:

1 Q. Turn to Page 5 for me, please.

2 Does McKesson agree that a state
3 having a drug abuse task force is a good thing?

4 MS. CHARLES: Objection. Beyond the
5 scope.

6 A. Yes.

7 BY MR. GADDY:

8 Q. And you see here on Page 5 there's an
9 entry for the state of New Jersey, correct?

10 A. I don't see New Jersey here. On 5?

11 Q. I'm sorry, look at the number on the
12 top right-hand.

13 A. Sorry.

14 Yes. That's what it says.

22 Do you see that?

23 A. I do see that.

24 Q. Does McKesson agree that bills aimed
25 at preventing prescription drug and opioid abuse

1 would be a good thing?

2 MS. CHARLES: Objection. Beyond the
3 scope.

4 A. I wouldn't say -- that's too general
5 to answer.

6 BY MR. GADDY:

7 Q. Okay.

8 A. I mean, you could have a bill that was
9 aimed at preventing prescription drug abuse that
10 was not good, that we didn't think would solve
11 the problem, that we would think would be a bad
12 bill and a different solution. I mean, we are
13 committed to solving the prescription drug abuse
14 problem, but not every bill that has that aim is
15 necessarily -- we would necessarily endorse or
16 agree with.

17 Q. Understood.

18 McKesson agrees that preventing
19 prescription drug and opioid abuse is a good
20 thing, correct?

21 A. Yes. Of course.

22 MS. CHARLES: Objection. Beyond the
23 scope.

24 BY MR. GADDY:

The diagram consists of a vertical list of 14 items on the left, each represented by a small square. To the right of each item is a horizontal bar of varying length, representing a range or depth. The bars are arranged in a way that suggests a hierarchy or progression from top to bottom.

Item	Bar Length (approximate)
1	Full width
2	95%
3	45% and 100%
4	95%
5	90%
6	40%
7	15% and 35%
8	15% and 95%
9	Full width
10	85%
11	35%, 60%, and 85%
12	15% and 95%
13	Full width

14 BY MR. GADDY:

15 Q. And would it also be fair to say that
16 if it is determined that New Jersey wants
17 wholesale distributors to pay for some of these
18 plans, that would be an example of legislation
19 that would be onerous to the wholesale
20 distributors?

21 MS. CHARLES: Objection. Form, beyond
22 the scope.

23 A. Not necessarily.

24 BY MR. GADDY:

25 Q. But certainly HDMA was going to

1 continue tracking to see who was going to have
2 to pay for these programs that Governor Christie
3 was suggesting, correct?

4 MS. CHARLES: Objection. Form, beyond
5 the scope.

■ ■ [REDACTED]

■ [REDACTED]

8 BY MR. GADDY:

9 Q. So yes?

10 MS. CHARLES: Same objections.

11 A. That's what it says, yes.

12 BY MR. GADDY:

13 Q. I'm going to show you what I'm going
14 to mark as Ganley 13.

15 (Whereupon, McKesson-Ganley-013 was
16 marked for identification.)

17 A. Thank you.

18 BY MR. GADDY:

19 Q. Do you recognize this document?

20 A. Yes, I do.

21 Q. And is this another document that you
22 reviewed in preparation for this deposition?

23 A. Yes.

■ ■ [REDACTED]

■ [REDACTED]

[illegible]

1	1	1	1
2	2	2	2
3	3	3	3
4	4	4	4
5	5	5	5
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8	8	8	8
9	9	9	9
10	10	10	10
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14	14	14	14
15	15	15	15
16	16	16	16
17	17	17	17
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21	21	21	21
22	22	22	22
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94	94	94	94
95	95	95	95
96	96	96	96
97	97	97	97
98	98	98	98
99	99	99	99
100	100	100	100

1 Do you see that?

2 A. I do.

3 Q. And based on McKesson's participation
4 within the HDMA, and specifically your
5 participation in the State Government Affairs
6 Committee, would it be McKesson's understanding
7 that HDMA had language inserted into that Texas
8 bill -- I'm sorry, into that Tennessee bill?

9 MS. CHARLES: Objection. Form.

10 A. It's my understanding that the bill
11 was amended to include language that was
12 recommended by HDMA.

13 BY MR. GADDY:

14 Q. So HDMA actually had a hand in writing
15 the law that was going to directly apply to the
16 wholesale distributors within the state of
17 Tennessee?

18 MS. CHARLES: Objection. Beyond the
19 scope, form.

20 A. I would not agree with that, no.

21 BY MR. GADDY:

22 Q. This indicates that HDMA had language
23 included in the bill, correct?

24 MS. CHARLES: Objection.

25 BY MR. GADDY:

1 Q. Can we agree on that?

2 MS. CHARLES: Same objections.

3 A. It was amended to include language
4 that HDMA had recommended, yes.

5 BY MR. GADDY:

6 Q. Okay. I show you what's been marked
7 as Ganley 14.

8 (Whereupon, McKesson-Ganley-014 was
9 marked for identification.)

10 BY MR. GADDY:

11 Q. Do you recognize this document?

12 A. Yes.

13 Q. And do you recognize this to be a
14 PowerPoint or presentation from the State
15 Government Affairs Annual Meeting in November of
16 2014?

17 A. That's what it says, yep.

18 Q. Would you have attended this meeting?

19 A. I don't believe so. I'm not positive.
20 I may have, but it would have been after July
21 when I switched over to federal, but...

22 Q. Can you turn to Page 5 for me, please?

23 A. Yes.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6 Do you see that?

7 MS. CHARLES: Objection. Beyond the
8 scope.

9 A. I see that.

10 BY MR. GADDY:

11 Q. And is that consistent with your
12 understanding, with McKesson's understanding
13 based on their participation within the HDA?

14 MS. CHARLES: Objection. Form.

15 A. It what consistent, the dollar figure?

16 BY MR. GADDY:

17 Q. Sure.

18 MS. CHARLES: Objection. Form.

19 A. I wouldn't necessarily have line of
20 sight to what their budget is, but that's what
21 it says.

22 BY MR. GADDY:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

12 MS. CHARLES: Objection. Form, beyond
13 the scope.

14 A. I wouldn't agree with the
15 characterization "at their disposal." It's
16 their budget for the State Government Affairs
17 team.

18 BY MR. GADDY:

[REDACTED]

[illegible]

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[illegible]

[illegible]

1 I'm not sure.

2 Q. But it is true --

3 A. This is as of 2014.

4 Q. Understand.

█ [REDACTED]

█ [REDACTED]

█ [REDACTED] [REDACTED] [REDACTED]

█ [REDACTED]

█ [REDACTED] [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

19 Do you see that?

20 A. Yes.

21 Q. And would it be consistent with your
22 understanding that that includes both the
23 distributors and the manufacturers who are
24 members of HDMA?

25 MS. CHARLES: Objection. Form, beyond

1 the scope.

2 A. I have no idea where they got that
3 number.

4 BY MR. GADDY:

5 Q. Well, we saw earlier today there's
6 only 36 wholesale distributors that are members
7 of HDMA, correct?

8 A. That's correct.

9 Q. And then we also saw earlier today
10 that there are approximately 120 manufacturing
11 members who are members of HDMA, correct?

[REDACTED]

[REDACTED]

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[REDACTED]

18 Do you see that?

19 A. That's what it says.

20 Q. That stands for the National
21 Association of Chain Drugstores?

22 A. Yes.

23 Q. Is McKesson a member of that?

24 A. We are.

25 Q. Is Cardinal Health a member of that?

1 MS. CHARLES: Objection. Beyond the
2 scope.

3 A. I don't know.

4 BY MR. GADDY:

5 Q. Is AmerisourceBergen a member of that?

6 MS. CHARLES: Same objection.

7 A. I don't know.

8 BY MR. GADDY:

9 Q. Does NACDS also conduct lobbying
10 activity on behalf of its members?

11 MS. CHARLES: Same objection.

12 A. They do conduct lobbying activity,
13 yes.

14 BY MR. GADDY:

15 Q. Okay. And do you see here it
16 indicates they also have directors charged with
17 covering the entire 50 states?

18 MS. CHARLES: Objection. Form.

19 A. I think so. That seems to be what
20 this chart indicates. But they don't have any
21 names here, so I don't...

22 BY MR. GADDY:

23 Q. Does McKesson pay money to the NACDS?

24 A. We pay dues, yes.

[illegible]

■ ■ ■
■ ■
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■ ■

5 Do you remember that?

6 MS. CHARLES: Objection. Form.

7 A. It was one of the goals, yes --

8 BY MR. GADDY:

9 Q. Okay.

10 A. -- that was listed. One of many.

11 Q. And in attempting to meet their goals,
12 would it be fair to say that the HDMA would
13 expect that from time to time there would be
14 particular challenges that they would have to
15 face?

16 MS. CHARLES: Objection. Form, beyond
17 the scope.

18 A. I'm not sure I know what you mean by
19 "challenges."

20 BY MR. GADDY:

21 Q. Well, let's look at this. Turn to
22 Page 4 for me, please?

23 A. Of this document, 14?

■ ■ ■
■ ■

20 BY MR. GADDY:

21 Q. And "Rx" means prescription, right?

22 A. Yes.

Category	Percentage
Very important	10%
Important	40%
Not important	50%

█ [REDACTED]

2 MS. CHARLES: Objection. Form.

3 BY MR. GADDY:

4 Q. Is that correct?

5 A. That's what it says, yeah.

6 Q. And that's McKesson's understanding as
7 it relates to its participation within the HDA,
8 and specifically its participation in the State
9 Government Affairs Committee, correct?

10 A. What's McKesson's understanding?

11 Q. That this is one of the challenges
12 that HDA was going to face moving forward?

13 MS. CHARLES: Objection. Form.

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

17 BY MR. GADDY:

18 Q. It was a challenge for you, correct?

19 MS. CHARLES: Objection. Form.

20 BY MR. GADDY:

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

■

2 Q. Now, HDMA also conducts federal
3 lobbying on behalf of its members, correct?

4 A. Yes.

5 Well, let me just comment on the form.
6 "On behalf of" has implications in the lobbying
7 laws, so I wouldn't say on behalf of. I would
8 say HDMA conducts federal lobbying representing
9 the issues affecting the industry.

10 Q. Understood.

11 A. HDMA is not a lobbyist for McKesson
12 and registered as such under the laws. There's
13 nuance there.

14 Q. There's one in particular, one law
15 that's been passed in particular that has gotten
16 a lot of attention. Agree with that?

17 MS. CHARLES: Objection to form.
18 Beyond the scope.

19 A. I'm not sure what law you're talking
20 about.

21 BY MR. GADDY:

22 Q. You're really not?

23 A. Related to opioid abuse?

24 Q. Yes.

25 A. S. 483, I assume.

1 Q. We talked earlier about the Washington
2 Post article and the CBS 60 Minutes episode, and
3 that was directly related to what you just
4 called S. 483, correct?

5 A. Yes.

6 Q. Do you know the name of that bill, or
7 that law?

8 MS. CHARLES: Objection. Beyond the
9 scope.

10 A. The Ensuring Patient Access and
11 Effective Drug Control Act, I think.

12 BY MR. GADDY:

13 Q. And that's a bill that McKesson
14 actively supported, correct?

15 A. Yes.

16 Q. It's a bill that the HDMA actively
17 supported, correct?

18 A. Yes.

19 Q. It's a bill that all of HDA members
20 actively supported, correct?

21 MS. MCCLURE: Objection.

22 MS. CHARLES: Objection, beyond the
23 scope, form.

24 A. I don't know the answer to that.

25 BY MR. GADDY:

1 Q. I'm going to show you what's been
2 marked as Ganley 14.

3 (Whereupon, McKesson-Ganley-015 was
4 marked for identification.)

5 BY MR. GADDY:

6 Q. Do you recognize this as being --

7 MS. CHARLES: Are we on 14 or 15? 15.

8 BY MR. GADDY:

9 Q. I'm sorry, 15.

10 Mr. Ganley, do you mind striking
11 through that 14 at the bottom and making it 15
12 for me, please? Thank you.

13 Do you recognize this document as
14 being a statement from John Gray?

15 A. That's what it says, yes.

16 Q. And he's the CEO of HDMA, correct?

17 A. Yes.

18 Q. If you turn the page to the top of
19 Page 2, do you see where he says, "I am John
20 Gray, President and CEO of HDMA. Thank you for
21 the opportunity to discuss with the Subcommittee
22 important legislation introduced by
23 Representatives Blackburn and Marino, the
24 Ensuring Patient Access and Effective Drug
25 Enforcement Act"?

1 Do you see that?

2 A. Yes.

3 Q. So president and CEO of HDMA advocated
4 directly to Congress for this bill, correct?

5 MS. CHARLES: Objection. Form, beyond
6 the scope.

7 A. Yes.

8 BY MR. GADDY:

9 Q. From McKesson's point of view, did you
10 have an understanding of the goal of that bill?

11 A. Yes.

12 Q. What was that?

13 MS. CHARLES: Objection. Beyond the
14 scope.

15 A. The goal of the bill was to clarify
16 language in the Controlled Substance Act
17 regarding the definition of imminent danger and
18 a corrective action plan.

19 BY MR. GADDY:

20 Q. The definition of imminent danger
21 would be entirely new language, correct?

22 MS. CHARLES: Objection. Beyond the
23 scope, form.

24 A. Imminent danger was not defined -- is
25 not defined in the Act.

1 BY MR. GADDY:

2 Q. Correct.

3 So it would have been new language,
4 correct?

5 MS. CHARLES: Same objections.

6 A. Yes.

7 BY MR. GADDY:

8 Q. And the corrective action plan would
9 be an entirely new clause in the Act, correct?

10 MS. CHARLES: Same objections.

11 A. Yeah, there was an amendment to -- the
12 bill was an amendment to the Controlled
13 Substances Act.

14 BY MR. GADDY:

15 Q. Did you have direct interaction with
16 any member of Congress regarding this bill?

17 MS. CHARLES: Beyond the scope.

18 A. Yes.

19 BY MR. GADDY:

20 Q. Who did you have interaction with?

21 MS. CHARLES: Same objection.

22 A. I'm not sure I could list them all.

23 BY MR. GADDY:

24 Q. Did you have interaction with
25 Congressman Marino?

1 MS. CHARLES: Same objection.

2 A. Yes.

3 BY MR. GADDY:

4 Q. Congresswoman Blackburn?

5 MS. CHARLES: Same objection.

6 A. Yes.

7 BY MR. GADDY:

8 Q. Senator Hatch?

9 MS. CHARLES: Same objection.

10 A. Yes.

11 BY MR. GADDY:

12 Q. Senator Rubio?

13 MS. CHARLES: Same objection.

14 A. Personally, no, not with Senator
15 Rubio.

16 BY MR. GADDY:

17 Q. From your participation within HDMA,
18 is it your understanding that HDMA also would
19 have had contact with many members of Congress
20 regarding this bill?

21 A. Yes.

22 MS. CHARLES: Objection to form.

23 BY MR. GADDY:

24 Q. I'm going to show you what we're going
25 to mark as Number 16.

1 Q. If you'd flip to Page 3, do you see an
2 agenda that was attached to this e-mail?

3 A. Yes, I do.

The diagram consists of 15 horizontal bars of varying lengths and positions, arranged in a sequence from top to bottom. The bars are gray and set against a light gray background. The bars are arranged in a way that suggests a flow or sequence of events, with some bars starting at different points and ending at different points, creating a complex, overlapping pattern. The bars are arranged in a way that suggests a flow or sequence of events, with some bars starting at different points and ending at different points, creating a complex, overlapping pattern.

21 Q. Is that consistent with your
22 understanding?

23 MS. CHARLES: Objection. Form.

24 A. Yes, it is.

25 BY MR. GADDY:

1 Q. From McKesson's perspective relative
2 to its participation with the HDMA, was the
3 purpose of the adding the definition of imminent
4 danger and instituting the corrective action
5 plan, that those items would make it easier or
6 harder for DEA to investigate wholesale
7 distributors?

8 MS. CHARLES: Objection to form.

9 A. Neither.

10 BY MR. GADDY:

11 Q. From McKesson's perspective, based on
12 its participation within the HDMA, would adding
13 those two provisions to the Controlled Substance
14 Act make it easier or harder for the DEA to
15 issue immediate suspicion orders -- excuse me,
16 immediate suspension orders to wholesale
17 distributors?

18 MS. CHARLES: Objection to form.

19 A. I don't know that it would make it
20 easier or harder. It was adding specific
21 language into the bill where a definite -- where
22 a term was undefined.

23 BY MR. GADDY:

24 Q. Let's talk about the imminent danger
25 definition. Correct?

1 A. Right.

2 Q. The corrective action plan, that
3 didn't exist before?

4 A. Right. It was a different regulatory
5 tool. It was written into the law for DEA.

6 Q. Okay. And that tool -- tell me if you
7 agree or disagree, that tool gave any wholesale
8 distributor who was notified that they may have
9 been out of compliance with the Controlled
10 Substance Act, it allowed them 30 days to
11 correct their behavior prior to any immediate
12 suspension order being issued.

13 MS. CHARLES: Objection to form.
14 Beyond the scope.

15 A. No, I would not agree with that
16 characterization of it. It created a corrective
17 action plan system where the wholesaler could
18 submit to the DEA a corrective action plan that
19 would be approved or not.

20 BY MR. GADDY:

21 Q. After they were informed they were out
22 of compliance, they then had an ability to
23 correct their behavior prior to any immediate
24 suspension order being issued, correct?

25 MS. CHARLES: Objection to form.

1 Beyond the scope.

2 A. No, that's not correct.

3 BY MR. GADDY:

4 Q. Do you agree that the bill that HDMA
5 was pushing or advocating for and that McKesson
6 was advocating for was amending a law that had
7 previously been used to penalize McKesson?

8 MS. CHARLES: Objection. Form, beyond
9 the scope.

10 A. It was amending the Controlled
11 Substances Act.

12 BY MR. GADDY:

13 Q. And McKesson had previously been
14 penalized on two separate occasions for
15 violating the Controlled Substance Act, is that
16 correct?

17 MS. CHARLES: Objection. Form, beyond
18 the scope.

19 A. I'm not sure I know what "penalized."
20 There were settlements related to the Controlled
21 Substances Act, yes.

22 BY MR. GADDY:

23 Q. Well, McKesson paid a 13 and a half
24 million dollar settlement in 2008, correct?

25 MS. CHARLES: Objection. Beyond the

1 scope.

2 A. Yes.

3 BY MR. GADDY:

4 Q. Okay. And that was for violations of
5 the Controlled Substance Act, correct?

6 MS. CHARLES: Objection. Beyond the
7 scope, form.

8 A. It was a settlement. I'm not sure --
9 there was an admission of violations. I don't
10 know the specifics of the settlement. But it
11 was a settlement arising out of the Controlled
12 Substances Act.

13 BY MR. GADDY:

14 Q. Are you not aware that McKesson
15 admitted violations of the Controlled Substance
16 Act pursuant to that agreement?

17 A. I haven't looked at --

18 MS. CHARLES: Objection. Form, beyond
19 the scope.

20 A. I haven't looked at the two
21 settlements.

22 BY MR. GADDY:

23 Q. As you sit here today, you don't know
24 whether or not McKesson has ever admitted that
25 they violated the Controlled Substances Act

1 before?

2 MS. CHARLES: Same objections.

3 A. I would have to look at the settlement
4 language. I'd have to review it, which is not
5 something I did in preparation for this.

6 BY MR. GADDY:

7 Q. And you're aware that they paid a
8 \$150 million civil penalty in 2016?

9 MS. CHARLES: Same objections.

10 A. Yes.

11 MS. CHARLES: It's been about another
12 hour, so whenever you have a good time.

13 MR. GADDY: Now is fine.

14 THE VIDEOGRAPHER: Going off the
15 record. The time is 11:10.

16 (Whereupon, a recess was taken.)

17 THE VIDEOGRAPHER: Going back on the
18 record beginning of Media File Number 3. Time
19 is 11:21.

20 MR. GADDY: Are we on Number 16?

21 MS. CHARLES: We did 16.

22 MR. GADDY: Thank you.

23 (Whereupon, McKesson-Ganley-017 was
24 marked for identification.)

25 BY MR. GADDY:

1 Q. Mr. Ganley, I'm going to show you
2 what's been marked as Number 17.

3 A. Thank you.

4 Q. Do you recognize that document?

5 A. I do.

6 Q. And is this a document that you
7 specifically looked at in preparation for this
8 deposition today?

9 A. It is.

10 Q. And if you start approximately in the

[REDACTED]

22 A. That's correct.

23 Q. And as we already discussed, that is
24 the law that HDMA advocated for, that McKesson
25 advocated for, that dealt with the definition of

1 imminent danger and the institution of a
2 corrective action plan, correct?

3 MS. CHARLES: Objection to form.

4 A. That's correct.

5 BY MR. GADDY:

[REDACTED]

[illegible]

[illegible]

22 Q. Well, this is not Endo and Purdue's
23 language. Do you understand that?

24 A. I'm sorry.

25 Q. This is language that's been suggested

1 by HDMA and that they're circulating to
2 McKesson, AmerisourceBergen, and Cardinal Health
3 to see if they want to comment on it.

4 Do you see that?

5 A. No.

6 MS. CHARLES: Objection to form.

7 BY MR. GADDY:

8 Q. Well, look at -- turn to Page 3. This
9 is the edits that were suggested by Endo and
10 Purdue.

11 Do you see that?

12 MR. WEINOGRADE: Objection.

13 MS. CHARLES: Objection to form.

14 A. I don't see that.

15 BY MR. GADDY:

16 [REDACTED]
17 [REDACTED]
18 [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]

22 A. It's difficult from this document to
23 figure out who wrote these suggested edits.
24 It's unclear to me who wrote the suggested
25 edits.

1 Q. Do you recognize this as being the law
2 that was ultimately passed?

3 A. Yes, I believe so. It says "Public
4 Law," so yes.

5 Q. If you turn to Page 2, do you see the
6 definition in the middle of the page, there's
7 a -- looks like it's (a)(2), (a)(2), (b)(2)? Do
8 you see the definition of imminent danger?

9 A. Yes.

10 Q. If you look at the last document that
11 you had where we saw the proposed language that
12 was given to McKesson, Cardinal Health, and
13 AmerisourceBergen, does it look like that
14 language made it into the bill?

15 A. No.

16 Q. Does it look like the language that
17 made it into the bill that became law is
18 substantially similar to what McKesson,
19 AmerisourceBergen, and Cardinal Health were
20 permitted to comment on?

21 MS. CHARLES: Objection to form.
22 Beyond the scope.

23 A. With respect to this definition?

24 BY MR. GADDY:

25 Q. Sure.

1 A. No. It's meaningfully different, if
2 I'm looking at the right thing.

3 MS. CHARLES: It might help to clarify
4 which --

5 A. You're talking about this section,
6 what is listed on Page 3 of Exhibit 12 -- 17
7 rather.

8 BY MR. GADDY:

9 Q. No, no, no. I'm sorry. I'm talking
10 about the language from the prior page.

11 A. Sorry.

12 Q. The language -- if you look at the
13 screen, the language that's labeled C. If you
14 look at the screen.

15 A. Sorry.

16 Q. The language labeled C.

17 A. Yes.

18 Q. Did that language makes its way into
19 the final bill as far as the definition of
20 imminent danger, this language that McKesson,
21 Cardinal Health, and AmerisourceBergen were
22 asked to comment on?

23 MS. CHARLES: Objection to form.
24 Beyond the scope.

25 A. It's similar, yes.

1 MS. CONWAY: Is the record going to
2 reflect what you mean by the language with a C
3 mark next to it?

4 MR. GADDY: I believe so. Yes, it's
5 being recorded.

6 MS. CHARLES: I think that we'll see
7 the video screen. I think the issue is that his
8 version doesn't have the C.

9 Could you just read the language
10 perhaps?

11 BY MR. GADDY:

12 Q. Sure. It's the section that we talked
13 ad nauseam about a few minutes ago. It says,
14 "In this subsection, the phrase 'imminent danger
15 to the public health or safety' means that, due
16 to the failure of the registrant to maintain
17 effective controls against diversion or
18 otherwise comply with the obligations of a
19 registrant under the subchapter, or subchapter 2
20 of this title, there is a substantial likelihood
21 of immediate threat that controlled substances
22 will be diverted for use other than legitimate
23 medical, scientific, or industrial purposes."

24 Are we on the same page, Mr. Ganley?

25 A. Yes.

1 Q. And I believe your testimony was that
2 that language substantially made it into the
3 bill that was passed as law?

4 MS. CHARLES: Objection to form.

5 A. This language is the language that was
6 put forward by Hatch, and it's almost identical
7 to the language that's in the law.

8 BY MR. GADDY:

9 Q. It is the language that was circulated
10 to McKesson, Cardinal Health, and
11 AmerisourceBergen for them to comment on prior
12 to it becoming law, correct?

13 MS. CHARLES: Objection to form.

14 A. It was circulated by HDA.

15 BY MR. GADDY:

16 Q. Okay. When you said "Hatch," you're
17 referring to Senator Oren Hatch?

18 A. Yes.

19 Q. Now, we touched on this earlier, but
20 after this bill became law, there was criticism
21 of the law by way of media reports in the
22 Washington Post and on CBS 60 Minutes, correct?

23 MS. CHARLES: Objection. Beyond the
24 scope.

25 A. Yes. There were media reports, yes.

1 BY MR. GADDY:

2 Q. I'm going to show you what I will mark
3 as 19.

4 (Whereupon, McKesson-Ganley-019 was
5 marked for identification.)

6 BY MR. GADDY:

7 Q. Do you recognize this as being one of
8 the, I think, two Washington Post articles that
9 were published on the topic of this law?

10 A. Yes, I do.

11 Q. And if you see in the headline there,
12 it says, "The Drug Industry's Triumph Over The
13 DEA."

14 Do you see that?

15 A. That's what it says.

16 Q. It says, "Amid a targeted lobbying
17 effort, Congress weakened the DEA's ability to
18 go after drug distributors, even as
19 opioid-related deaths continue to rise."

20 Do you see that?

21 A. I do.

22 Q. In the first paragraph of the article
23 it says, "In April 2016, at the height of the
24 deadliest drug epidemic in US history, Congress
25 effectively stripped the DEA of its most potent

1 weapon against large drug companies suspected of
2 spilling prescription narcotics into the
3 nation's streets."

4 Do you see that?

5 A. I do see that.

6 Q. And is this consistent with some of
7 the criticism that was publicized in the
8 Washington Post and the CBS 60 Minutes episode?

9 MS. CHARLES: Objection to form.
10 Beyond the scope.

11 A. Yes, it's consistent with the
12 criticism.

13 BY MR. GADDY:

14 Q. If you turn to Page 2 and go to the
15 very bottom of the page, it says, "For years,
16 some drug distributors were find for repeatedly
17 ignoring warnings from the DEA to shut down
18 suspicious sales of hundreds of millions of
19 pills, while they racked up billions of dollars
20 in sales."

21 Do you see that?

22 A. Yes, I see it.

23 Q. In fact, McKesson was twice fined for
24 ignoring warnings from the DEA, is that correct?

25 MS. CHARLES: Objection to form.

1 Beyond the scope.

2 A. I wouldn't agree with the
3 characterization of ignoring warnings.

4 BY MR. GADDY:

5 Q. Do you agree that McKesson was twice
6 fined for violating the Controlled Substance
7 Act?

8 MS. CHARLES: Same objections.

9 A. Again, I'd have to look at the
10 settlements, but they were -- we settled two
11 issues with the DEA, yes.

12 BY MR. GADDY:

13 Q. You say issues. Those issues were
14 failing to report suspicious orders of opioids,
15 correct?

16 MS. CHARLES: Same objections.

17 A. That was the allegation.

18 BY MR. GADDY:

19 Q. Well, it's the allegation that
20 McKesson admitted.

21 MS. CHARLES: Same objection.

22 A. Again, I'd have to look at the
23 settlement.

24 BY MR. GADDY:

25 Q. What did you say your title was?

1 A. Vice president of Federal Government
2 Affairs.

3 Q. As the vice president of Federal
4 Government Affairs, you're sitting here in 2018,
5 and you don't know that McKesson has on two
6 separate occasions admitted to violating the
7 Controlled Substance Act?

8 MS. CHARLES: Objection to form.
9 Beyond the scope.

10 A. I don't know specifically what we've
11 admitted. I haven't reviewed those settlements.

12 BY MR. GADDY:

13 Q. It goes onto the next page to say,
14 "The new law makes it virtually impossible for
15 the DEA to freeze suspicious narcotic shipments
16 from the companies, according to internal agency
17 and Justice Department documents and an
18 independent assessment."

19 Do you see that?

20 A. I see it.

21 Q. Now, we looked earlier at some
22 documents where HDMA was doing some, I guess
23 what I would call offensive lobbying in favor of
24 that particular law, correct?

25 MS. CHARLES: Objection to form.

1 A. HDA was lobbying in favor of this law,
2 yes.

3 BY MR. GADDY:

4 Q. Okay. After these media reports came
5 out, HDMA continued to lobby in support of the
6 bill, and actually defended the bill, correct?

7 MS. CHARLES: Objection to form.
8 Beyond the scope.

9 A. It was a law, so they weren't lobbying
10 on it because it was a law.

11 HDA aggressively pushed back on these
12 media reports, yes.

13 BY MR. GADDY:

14 Q. Okay. From a public policy
15 perspective, I guess.

16 A. Public relations perspective.

17 Q. Thank you. That's more accurate.

18 I'm going to show you what we'll mark
19 as Exhibit 20.

20 (Whereupon, McKesson-Ganley-020 was
21 marked for identification.)

22 BY MR. GADDY:

23 Q. Did you have the opportunity to review
24 this document before?

25 A. I don't believe so.

1 Q. Okay. Well, do you see that it's an

█

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15 A. Yes, I do.

16 MS. CHARLES: Objection to form.

17 BY MR. GADDY:

18 Q. And if you look on Page 3, do you see
19 those responses by HDMA somewhat summarized?

20 MS. CHARLES: Objection to form.

21 A. Somewhat. They're not really
22 summarized. They're linked.

23 BY MR. GADDY:

24 Q. Sure. Fair.

25 Based on your participation within

1 HDMA, is this your, McKesson's, understanding of
2 some of the steps that HDA took to, I think as
3 you said, aggressively respond to some of the
4 reporting that was out there by the Washington
5 Post and CBS?

6 MS. CHARLES: Objection to form.

7 A. Yes.

8 BY MR. GADDY:

9 Q. That response included letters to four
10 separate committees, two House committees and
11 two Senate committees?

12 MS. CHARLES: Objection to form.

13 A. Yes.

14 BY MR. GADDY:

15 Q. It included some media updates. John
16 Gray, the CEO, wrote a letter to the editor of
17 the Washington Post?

18 A. He did.

19 Q. He wrote a viewpoint piece in USA
20 Today?

21 A. He did. He was invited to.

22 Q. Okay. And there was also advertising
23 that was done by HDA, correct?

24 A. Yes.

25 Q. And the advertising included ads on

1 the website Politico and website The Hill?

2 A. Yes.

█ █ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED] [REDACTED]

█ [REDACTED]

█ █ [REDACTED] [REDACTED]

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█ [REDACTED] [REDACTED]

█ █ [REDACTED]

█ [REDACTED]

█ [REDACTED]

█ [REDACTED]

22 BY MR. GADDY:

23 Q. Is McKesson also a member of the an

24 organization referred to as PhRMA, P-H-R-M-A?

25 A. We are not.

1 Q. Outside of the two we've already
2 discussed, HDA and NACDS, what other trade
3 associations does McKesson pay dues to?

4 A. I don't think I could give you an
5 exhaustive list for a couple of reasons. We're
6 members of a number of trade associations, and
7 we publish the larger ones on our website, but
8 I'd have to look at the list to give you all of
9 them.

10 But also, there are smaller trade
11 associations that we may belong to where an
12 individual general manager or somebody in the
13 business has the ability to join a trade
14 association without sort of seeking corporate
15 approval. So, for example, the guy who runs
16 Boston can, you know, pay \$1,000 to join the
17 Boston Chamber of Commerce if he wants to
18 without having to -- because of the dollar
19 figures, he doesn't necessarily have to sort of
20 clear that by anybody. There's some autonomy in
21 that area.

22 So there's probably hundreds of trade
23 associations, quote unquote, that we pay some
24 kind of dues to.

25 Q. Okay.

1 A. I mean, I could give you the big ones.

2 Q. Sure.

3 Does McKesson pay dues for its
4 employees to be members of trade organizations?

5 MS. CHARLES: Objection. Beyond the
6 scope.

7 A. For its employees, no.

8 BY MR. GADDY:

9 Q. So --

10 A. If I understand the question
11 correctly. I mean, the corporate entity would
12 join a trade association, and then individual
13 employees would represent the company working
14 with that trade association.

15 Q. Okay. So you gave an example if
16 somebody wanted to be on the Chamber of Commerce
17 in the City of Boston and they had to pay \$1,000
18 dollars, that individual would have to pay that
19 out of his pocket -- his or her pocket?

20 A. No, no. What I'm saying is if the
21 Chamber of Commerce approached the McKesson
22 business leader for the Boston area and said, we
23 would like McKesson to become a member of the
24 Boston Chamber of Commerce, that business leader
25 would probably not need to get approval to do

1 that because the dollar figures were such --
2 there's different rules within the business as
3 to what kind of expense needs to be approved.
4 If he has budget for joining trade associations
5 and it's \$1,000 for McKesson to be a member, you
6 know, he could probably do that without having
7 to seek any additional corporate approval for
8 that.

9 So that's why I'm saying it's hard to
10 say. When you said, tell me a list of all the
11 trade associations, I don't know.

12 Q. Okay. My question is who is writing
13 that check, the individual employee or McKesson?

14 A. In the hypothetical I gave you, it
15 would be McKesson joining the trade association.

16 Q. Let me show you Number 21.

17 (Whereupon, McKesson-Ganley-021 was
18 marked for identification.)

19 BY MR. GADDY:

20 Q. These are the interrogatory responses
21 that McKesson submitted to us.

22 If you'll turn to Page 13 at the
23 bottom.

24 A. Going off the page number at the
25 bottom?

1 Q. Yes.

2 A. Okay.

3 Q. And do you see in the very bottom
4 paragraph it indicates that "McKesson has
5 identified certain industry organizations in
6 which McKesson employees have been involved,"
7 and it lists some there.

8 Do you see that?

9 A. Yes.

10 Q. Are you familiar with some of those?
11 (Witness reviewing document.)

12 A. Yes, there's both trade associations
13 here, and then also standards bodies.

14 Q. Okay. And is it your understanding
15 that there are individual employees who are
16 members of these associations, or that it is
17 McKesson as a corporate entity that's a member?

18 A. It's my understanding that McKesson as
19 a corporate entity is involved in these.

20 Q. Does McKesson offer any bonuses or
21 incentives for its employees to be members of
22 any trade associations or committees within
23 trade associations?

24 MS. CHARLES: Objection. Beyond the
25 scope.

1 A. Sorry, can you ask me that again?

2 BY MR. GADDY:

3 Q. Sure.

4 So, for example, you serve on the
5 Federal Government Affairs Committee within
6 HDMA. Do you get any bonus or incentive for
7 participating in that committee?

8 MS. CHARLES: Same objection.

9 A. No. It would be nice, though.

10 BY MR. GADDY:

11 Q. If you flip to Page 14, there are a
12 list of industry or trade organizations where
13 they indicate McKesson has made total payments
14 exceeding \$50,000.

15 Do you see that?

16 A. I do.

17 Q. Are you able to tell me the amounts
18 paid by McKesson, outside of the ones we've
19 already talked about, the HDMA, that McKesson
20 has made to any of these different entities?

21 A. Some, yes; others, no.

22 Q. Okay. American College of Health Care
23 Administrators?

24 A. I don't know.

25 Q. The Business Roundtable?

1 A. I don't know.

2 Q. Health Forum?

3 A. I don't know.

4 Q. HealthIT Now?

6 Q. And that's paid on an annual basis?

7 A. Yes.

8 Q. The Health Industry Distributors

9 Association?

17 Q. The Healthcare Leadership Council?

[illegible]

20 Q. You already told us the HDA.

21 International Federation of

22 Pharmaceutical Distributors?

23 A. I don't know.

24 Q. KLAS Enterprises?

25 A. I don't know.

1 Q. National Electric Manufacturers
2 Association?

3 A. I don't know.

4 Q. Pacific Business Group on Health?

5 A. I don't know.

6 Q. Senior Care Pharmacy Coalition?

7 A. I don't know.

8 Q. State Privacy and Security Coalition?

9 A. I don't know.

[REDACTED]

22 And again, "serves on," I'm not trying
23 to be too nuanced, but "serves on" implies some
24 formality.

25 Q. What should I say?

1 A. Participates in their meetings is the
2 way I would describe it.

3 Q. Okay.

4 A. Because if you want the complete list.

5 Q. Yes, sorry.

6 So if you don't mind, for Federal
7 Government Affairs, tell me who participates in
8 those and what their position is in McKesson.

9 A. So myself. Occasionally Pete Sloan,
10 who is the senior vice president of Corporate
11 Public Affairs. Claire Brandewie, who is a
12 senior manager of Federal Government Affairs and
13 brand new to the company.

14 Q. Okay. What about State Government
15 Affairs?

16 A. It would be the members of our State
17 Government Affairs team. So it would be -- you
18 want their names?

19 Q. Yes, please.

20 A. Chris Vaughan. It would be Tracy
21 Russell, Matt Ottiger, and Allison Rose.

22 Q. And there was an individual that you
23 told me her name earlier, Angelica?

24 A. Angela Grover.

25 Q. Okay. Is she with McKesson anymore?

1 A. She is not.

2 Q. Okay. Of the people that you just
3 mentioned that serve on -- or sorry, that
4 participate in the State Government Affairs
5 Committee, which of those people that you named
6 would have duties that encompassed the state of
7 Ohio?

8 A. It would have been Angela Grover
9 before she left the company, and now Matt
10 Ottiger. O-T-T-I-G-E-R.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

13 Q. Has McKesson ever been a member of the
14 American Pain Foundation?

15 A. I don't believe so.

16 Q. What about the American Academy of
17 Pain Medicine?

18 A. I don't believe so.

19 Q. What about the Pain Care Forum?

20 A. I'm not sure.

21 Q. Who would be the best person to ask
22 about these?

23 A. The Pain Care Forum, I assume,
24 probably.

25 Q. You assume that's who we should ask

1 about it is what you're saying, is that right?

2 A. I mean, we could look it up. I'm just
3 not aware of whether we're a member of the Pain
4 Care Forum or not.

5 Q. What about the American Pain Society?

6 A. I don't believe so.

7 Q. Is there any department or division
8 within McKesson that's responsible for being --
9 for McKesson being a part of any association or
10 trade organization?

11 MS. CHARLES: Objection. Beyond the
12 form -- beyond the scope.

13 A. Generally, no. They're autonomous
14 decisions that can be made by individual
15 business units or departments.

16 BY MR. GADDY:

17 Q. I'm going to show you --

18 A. We don't have a -- there's not an
19 association department or something like that
20 that would centralize all that.

21 Q. I show you what's been marked as
22 Ganley 22.

23 (Whereupon, McKesson-Ganley-022 was
24 marked for identification.)

25 BY MR. GADDY:

1 Q. Do you recognize this document?

2 A. I don't.

3 Q. Okay. Do you see it's an e-mail from
4 HDA?

5 A. Yes.

Government	Percentage
Current government	85%
Previous government	15%

9 Do you see that?

10 A. Yes.

11 Q. Are you familiar with this?

12 A. I'm not.

13 Q. Okay.

14 A. I'm trying to figure out what it
15 depicts.

16 Q. Okay. What is your -- I'm asking you,
17 do you have an understanding of what this means
18 or what this is representing?

21 Q. Okay. What does it indicate for the
22 state of Ohio?

23 A. It's a little hard to tell. I can't
24 tell from the colors.

25 Do you have a color version of it?

1 Q. I don't.

2 [REDACTED]
3 [REDACTED]
4 Q. Okay. Well, from your understanding,
5 does McKesson have a lobbyist in Ohio?

6 MS. CHARLES: Objection to form.
7 Beyond the scope.

8 A. I believe we do.

9 BY MR. GADDY:

10 Q. And who would that be?

11 A. I don't know the answer to that.

12 Q. Does, from your understanding, does
13 HDA have a lobbyist in Ohio?

14 MS. CHARLES: Objection. Beyond the
15 scope.

16 A. I don't know. If I'm -- depending on
17 the colors, this seems to indicate they do.

18 BY MR. GADDY:

19 Q. From your understanding, does Cardinal
20 Health have a lobbyist in Ohio?

21 MS. CHARLES: Objection. Beyond the
22 scope.

23 A. Again, I can't tell from the colors on
24 this, but it looks as if they may.

25 BY MR. GADDY:

1 Q. And from your understanding, does
2 AmerisourceBergen have a lobbyist in Ohio?

3 MS. CHARLES: Same objection.

4 MS. MCCLURE: Form.

5 A. I can't tell. I don't have any
6 knowledge one way or the other.

7 MR. GADDY: Okay. Take a quick break.
8 I might be done.

9 MS. CHARLES: Sure.

10 THE VIDEOGRAPHER: Going off record.
11 The time is 11:50.

12 (Whereupon, a recess was taken.)

13 THE VIDEOGRAPHER: Go back on the
14 record beginning of Media File 4. Time is
15 11:58.

16 MR. GADDY: I'll tender the witness.

17 MS. CHARLES: No questions.

18 MS. MCCLURE: Before you go off the
19 record, just a request. In light of the fact
20 there were highly confidential documents used
21 during this deposition, including deposition
22 exhibits from AmerisourceBergen at least,
23 pursuant to the protective order the parties
24 have a certain number of days to designate
25 portions of the transcript as confidential that

1 reference those are highly confidential
2 exhibits. So we're just reiterating our request
3 that in the meantime, of course, the entire
4 transcripts needs to be treated as highly
5 confidential pursuant to the protective order.

6 Any disagreement regarding that?

7 MR. GADDY: No.

8 MS. CHARLES: We'll reserve read and
9 sign.

10 Can you read the full amount that we
11 were on the record?

12 THE VIDEOGRAPHER: Total time on the
13 record is two hours and 24 minutes.

14 MS. CHARLES: Thank you.

15 THE VIDEOGRAPHER: This concludes
16 today's deposition. We are going off the
17 record. The time is 11:59.

18 (Whereupon, the deposition was
19 concluded.)
20
21
22
23
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25

1 COMMONWEALTH OF MASSACHUSETTS)

2 SUFFOLK, SS.)

3 I, MAUREEN O'CONNOR POLLARD, RMR, CLR,
4 and Notary Public in and for the Commonwealth of
5 Massachusetts, do certify that on the 27th day
6 of July, 2018, at 9:04 o'clock, the person
7 above-named was duly sworn to testify to the
8 truth of their knowledge, and examined, and such
9 examination reduced to typewriting under my
10 direction, and is a true record of the testimony
11 given by the witness. I further certify that I
12 am neither attorney, related or employed by any
13 of the parties to this action, and that I am not
14 a relative or employee of any attorney employed
15 by the parties hereto, or financially interested
16 in the action.

17 In witness whereof, I have hereunto
18 set my hand this 31st day of July, 2018.

19

20

21 _____
22 MAUREEN O'CONNOR POLLARD, NOTARY PUBLIC
23 Realtime Systems Administrator
24 CSR #149108
25

INSTRUCTIONS TO WITNESS

Please read your deposition over carefully and make any necessary corrections. You should state the reason in the appropriate space on the errata sheet for any corrections that are made.

After doing so, please sign the errata sheet and date it. It will be attached to your deposition.

It is imperative that you return the original errata sheet to the deposing attorney within thirty (30) days of receipt of the deposition transcript by you. If you fail to do so, the deposition transcript may be deemed to be accurate and may be used in court.

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E R R A T A

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3 PAGE LINE CHANGE

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ACKNOWLEDGMENT OF DEPONENT

I, _____, do
Hereby certify that I have read the foregoing
pages, and that the same is a correct
transcription of the answers given by me to the
questions therein propounded, except for the
corrections or changes in form or substance, if
any, noted in the attached Errata Sheet.

JOSEPH GANLEY

DATE _____

Subscribed and sworn

To before me this

_____ day of _____, 20____.

My commission expires: _____

Notary Public

1	LAWYER'S NOTES		
2	PAGE	LINE	
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